

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR 2017

HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED FOURTEENTH CONGRESS SECOND SESSION

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**DEPARTMENT OF THE INTERIOR, ENVIRON-
MENT, AND RELATED AGENCIES APPRO-
PRIATIONS FOR 2017**

WEDNESDAY, FEBRUARY 24, 2016.

UNITED STATES FOREST SERVICE

WITNESSES

TOM TIDWELL, CHIEF, UNITED STATES FOREST SERVICE

TONY DIXON, BUDGET DIRECTOR, UNITED STATES FOREST SERVICE

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT. Good morning. The subcommittee will come to order. I would like to extend a warm welcome to my colleagues, our witness, and the audience as we begin the Fiscal Year 2017 appropriations process. Today is the Interior and Environment Subcommittee's first oversight hearing of the year.

Chief Tidwell and Mr. Dixon, I would like to welcome you back to the subcommittee. We are pleased to be able to hear from you regarding the Fiscal Year 2017 budget request for the United States Forest Service.

Similar to last year, the President requests a total of \$4.9 billion in discretionary funding for the Forest Service for Fiscal Year 2017. This is \$150 million less than Fiscal Year 2016 enacted. A total of \$2.5 billion was requested for wildland fire management. This represents nearly 50 percent of the entire Forest Service budget. In addition, a budget cap adjustment of \$864 million is requested.

This subcommittee continues to be concerned about the cost of fighting wildfires and the effects it has on the Forest Service's budgets, programs, and management. Technically, the 2015 fire season is considered below normal at 93 percent of the 10-year average for the number of wildfires reported. However, the statistic belies a devastating reality. In 2015, more than 68,000 fires burned more than 10 million acres, causing an agonizing loss of life, destroying more than 4,600 homes and other properties, and devastating local and regional landscapes and communities.

The toll on our firefighters and supporting staff was also severe. According to the National Interagency Coordination Center, the request for firefighting resources were right at or exceeded the 10-year average, and the requests for air support were fulfilled or exceeded their averages.

So I would like to thank you, Chief Tidwell, for the Administration's efforts to change the way we budget for wildfires. I would

also like to thank Congressman Simpson with his dramatic entrance——

[Laughter.]

Mr. CALVERT [continuing]. For keeping the pressure on Congress to address the issue. As of yesterday, I understand Mr. Simpson has convinced 145 of our colleagues to co-sponsor his bill, including every member of this subcommittee.

While the issue of how to fund firefighting costs seems to dominate most discussions about the Forest Service, there are numerous other issues, including air asset management, law enforcement, land acquisition, and basic budgeting and program management, among others, that need to be attended to. The Forest Service must demonstrate that it is accountable, transparent, and able to improve the condition of its forests while managing unpredictable fire seasons.

This is a difficult challenge. I realize it is not entirely in your hands. Congress must provide the financial resources and address policy matters that limit the Agency's ability to manage the Nation's forests. But some parts are in your hands, especially accounting, budgeting, and program management. I look forward to talking to you more about them today as we prepare the House bill for Fiscal Year 2017.

Chief, you and the entire Forest Service staff deserve our appreciation for your work on behalf of the American people and our Nation's forests. We know you all care deeply for our forests and the communities that depend on them. So I thank you.

And now, I am happy to yield to the gentlelady from Minnesota, Ms. McCollum, for any opening remarks she might make.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chairman, and good morning, Chief Tidwell and Mr. Dixon. Thank you for being with us.

The U.S. Forest Service is charged with sustaining the health, diversity, and productivity of our Nation's forests and grasslands, and that is no small deed. The responsibilities associated with managing 193 million acres of national Forest Service lands are significant. The Forest Service has established itself as a leader in natural resource conservation and recreation management.

With these responsibilities in mind, the Fiscal Year 2017 budget request is very conservative. The costs associated with fighting wildland fires continues to rise, and, frankly, I am concerned that those costs are being met at the expense of other important programs. For example, the budget proposes to cut the Invasive Species Research Program. Invasive species are a major threat to our lands.

I will just give one example. We are watching emerald ash borer decimate American forests, killing 99 percent of the trees it affects. That infestation is a wake-up call to the devastation invasive species can reap. We need to be investing more and not less in such programs. And how do we do more? President Obama's budget gives us a way forward in reforming the way we fund wildfire costs, and I support that proposal. We need a more reliable way of funding wildfires that does not continually threaten other important Forest Service programs.

Last year, as the Chairman has pointed out, wildland fire costs made up more than 50 percent of the Forest Service budget—50 percent of the Forest Service budget. Experts predict that if we do not take action to address these problems, it will exceed 67 percent by the year 2025. This imbalance would translate to nearly a \$700 million reduction to non-fire programs.

Every member of this subcommittee is a co-sponsor of our colleague, Chairman Simpson's, wildfire disaster funding bill, and the last Senate appropriations mark included reforms that are called for in the Simpson bill. I have to say that I am particularly disappointed that the final omnibus did not include emergency or disaster cap adjustments. I hope we can work together, through the authorizers or on this committee, to solve this problem. If we continue down the path of underfunding programs to manage wildfires, we jeopardize the health and the long history that we have had of having great American national forests.

Chief Tidwell, at the Forest Service, you face difficult challenges to fulfill your mission in this time of limited budgets. I look forward to your testimony and discussing how the Agency is going to cope with these challenges, and I thank you once again for being here today. Thank you for the courtesy of the remarks, Mr. Chairman.

Mr. CALVERT. Thank you. And, Chief, you are recognized for your statement.

OPENING REMARKS OF CHIEF TIDWELL

Mr. TIDWELL. Mr. Chairman, Ranking Member McCollum, members of the subcommittee, thank you again for the opportunity to discuss our Fiscal Year 2017 budget request. As you both mentioned, this is basically a similar request to last year's budget request, which forces us to make some very hard choices about where to spend the limited resources.

It does allow us to continue to increase our pace and scale of restoring the Nation's forests. This budget request will allow us to treat 2.9 million acres to restore forest health and watershed conditions. It allows us to decommission 2,000 roads that are no longer needed and are just contributing soil into our streams. It also allows us to restore 3,450 miles of stream to address those aquatic needs and to improve the fisheries, and also will produce \$3.2 billion board feet of timber.

We do this by maintaining our 23 collaborative forest landscape restoration projects, and then being able to expand our work through the stewardship contracting authority that you provided a few years ago, and also with the farm bill authorities when it comes to insects and disease. We are making good progress with the States around the Good Neighbor Authority. These are the things that are allowing us to be able to continue to move forward and be able to get more work done every year, even though today we have 30 percent fewer employees than we did the last time we ever harvested board feet.

It also allows us to treat 1.6 million acres of the highest-priority areas in our wildland urban interface, plus another 400,000 acres of areas outside that we need to address hazardous fuels. Our State and private programs are taking an approach to use more of a

landscape-scale restoration approach where we can do a better job to work with our State foresters to be able to address issues on private forested lands, but across much larger landscapes.

With our research, which is just essential that we be able to maintain our Research and Development (R&D) operations, but we are focusing on insects and disease, invasives, fire behavior, and then also to be able to expand and develop new and more markets for wood. If we do not find markets for the biomass that needs to be removed off our national forests, it is going to be more and more expensive for us to be able to restore these forests.

We are also asking for an increase in law enforcement, and this is focused on helping us to reduce and clean up the marijuana growths. The data that we have shows that if you just get in there and stop the growth, there is a high likelihood you are going to be back in there in a few years, versus if you can get in there and clean out everything and take away all the infrastructure, et cetera, that there is less likelihood they are going to come back. So our request would allow us to be able to do a better job to clean up those sites.

This budget provides the suppression resources that we need. It provides the air tankers. It provides the helicopters. We have 21 large air tankers on contract. We have over 300 helicopters, over a thousand engines, and our Type 1 crews that are necessary to respond not only to our fires, but to fires across the landscape in other Federal jurisdictions and also with our State and local partners.

I appreciate the support from this subcommittee and from Mr. Simpson when it comes to finding a way to reform how we pay for fire suppression. I appreciate the additional funding you provided in the Fiscal Year 2016 budget into the FLAME account, but I think we are all aware of the history that FLAME is not the answer. We have to find a way to be able to move past this.

You understand the issues. We have got to find an alternative to the 10-year average costs. We need to find a way so that we never have to deal with transferring funds, shutting down operations, putting people out of work every year. This takes away your discretion, for you to be able to meet the public's needs with the limited resources we have today. It takes away your discretion, that all you can do is really, pay for fire.

One statistic that I want you to be thinking about from Fiscal Year 2015 to Fiscal Year 2017 with our 10-year average. That 10-year average calculation will go up \$237 million. And we still have 2 more years in the 10-year average that are the less expensive years, less than a billion dollars. So there are going to be 2 more years that are still going to hit that 10-year average mark.

So I just point that out to first of all reinforce the good work you are doing, and also to thank you. I tell you, we are committed to do everything we can to work with you to be able to find a way to be able to reform this so that it really provides, I think, the answer to a lot of the other problems that we are dealing with.

So, Mr. Chairman, I appreciate the time you have given us this morning to be able to address the subcommittee, and I look forward to answering your questions.

[The statement of Chief Tidwell follows:]

**Statement of Tom Tidwell, Chief of the USDA Forest Service
Before the House Committee on Appropriations,
Subcommittee on Interior, Environment, and Related Agencies
Concerning President's Fiscal Year 2017 Proposed Budget
for the USDA Forest Service
February 24, 2016**

Mr. Chairman and members of the Committee, thank you for inviting me here today to testify on the President's FY 2017 Budget request for the Forest Service. I appreciate the support this Subcommittee has shown for the Forest Service in the past. I look forward to continuing to work together with members of the Committee to ensure that stewardship of our Nation's forests and grasslands continues to meet the desires and expectations of the American people. However, our primary budget priority remains finding a way to fund growing fire suppression costs without further eroding resources for restoration, water, recreation and other management priorities, and without the need for mid-season transfers.

Budget Request and Focus Areas

The President's proposed overall budget for discretionary funding for the Forest Service in FY 2017 is \$4.9 billion. This budget will allow the Forest Service to continue to make progress towards our mutual goals while demonstrating fiscal restraint, efficiency, and cost-effective spending. We will continue to focus our efforts on three strategic goals, as identified in our Strategic Plan for FY 2015–2020:¹ (1) sustaining our Nation's forests and grasslands; (2) delivering benefits to the public; and (3) applying knowledge globally. Below, we outline how our budget for FY 2017 will fund programs corresponding to each strategic goal. It also contains the President's proposal from previous years to change the way we fund fire suppression through a cap adjustment.

Strategic Goal 1—Sustaining Our Nation's Forests and Grasslands

The Forest Service responds to the many stressors affecting our landscapes and watersheds by sustaining and restoring healthy, resilient forests and grasslands. By restoration, we mean restoring the functions and processes characteristic of healthier, more resistant, more resilient ecosystems, even if they are not exactly the same ecosystems as before. Our goal is to protect and restore the ability of America's forests and grasslands to deliver all the social, economic, and ecological values and benefits that Americans want and need, both now and for generations to come.

The FY 2017 President's Budget for the Forest Service will fund the treatments and infrastructure needed to protect and restore the most critical landscapes.¹ Our goal is to sustain and restore ecosystems that are capable of: (1) furnishing clean and abundant drinking water; (2) resisting damage from fire, drought, floods, and insects and diseases; and (3) maintaining a strong productive capacity, thereby supporting economic opportunities for rural communities. To meet our goal, the FY 2017 President's Budget makes key investments in the following program areas:

¹ U.S. Forest Service Strategic Plan 2015-2020: www.fs.fed.us/strategicplan.

- Ecological Restoration—treat 4.7 million acres to restore forest and rangeland health through landscape scale analysis, adaptive management, partnerships and the 2014 Farm bill authorities.
- Forest Products (\$359.8 million, the same level as the FY 2016 enacted level)—to accelerate the pace of restoration and continue to work to create healthy landscapes. We anticipate the sale of 3.2 billion board feet of timber with this funding level.
- Collaborative Forest Landscape Restoration Program (\$40 million, the same level as the FY 2016 enacted level)—to continue the 23 existing projects, which reduce the risk of catastrophic wildfires in high-priority, high-risk areas; improve water quality and quantity; increase carbon sequestration; and build on innovative implementation and monitoring work with our partners. In addition, we propose increasing the authorized funding level for this program from \$40 million to \$80 million for future years.
- Suppression (\$873.9 million, an increase of \$62.9 million above the FY 2016 enacted level)—this amount represents 70 percent of the 10-year average costs for fire suppression, currently calculated at \$1.248 billion. The proposed cap adjustment would cover the remaining 30 percent of the 10-year average suppression costs as well as any costs currently funded through fire transfers. For FY 2017, the proposed fire suppression cap adjustment is \$864 million.
- Hazardous Fuels (\$384.1 million, an increase of \$9.1 million above the FY 2016 enacted level)—to focus on fuels treatments in the wildland/urban interface to reduce the risk of catastrophic fire on 1.8 million acres.
- Land Acquisition Program (\$65.7 million in discretionary funding, \$2.2 million above the FY 2016 enacted level, and \$62.3 million in mandatory funding)—to consolidate fragmented lands within National Forest System borders and specially designated areas to support effective land and watershed management. The mandatory funds are part of the President's proposal for the Land and Water Conservation Fund reauthorization, which calls for full mandatory funding starting in FY 2018.
- Forest Legacy Program (\$62.3 million in discretionary funding, the same level as the FY 2016 enacted level, and \$37.7 million in mandatory funding)—to focus on preventing the conversion of private forests to other land uses and parcelization of ownership. The Forest Legacy Program is a key component of the President's America's Great Outdoors Initiative to conserve critical landscapes and reconnect Americans to the outdoors through reauthorizing the Land and Water Conservation Fund, with full mandatory funding starting in FY 2018.

Strategic Goal 2—Deliver Benefits to the Public

The FY 2017 President's Budget will help the Forest Service with our goal of building thriving communities by helping ensure abundant clean water, jobs and flourishing local economies, and opportunities to connect to the outdoors. To meet our goal, the FY 2017 President's Budget makes key investments in the following program areas:

- Landscape Scale Restoration (\$23.5 million, an increase of \$9.5 million above the FY 2016 enacted level)—this increase will fund approximately 20 more innovative, cross-

boundary projects that target high-priority areas identified in the States' forest action plans. This continued investment in cross-boundary, landscape-scale projects on State and private lands will spur innovation, bring partners to the table, support climate change mitigation and adaptation, and allow the agency to leverage partner contributions. We will maintain strong collaboration with our State partners to develop solutions to complex problems.

- Recreation, Heritage, and Wilderness (\$263.9 million, an increase of \$2.2 million above the FY 2016 enacted level)—this increase will modernize our recreation special uses program, expand access to the National Forest System, and increase the capacity of our community service and volunteer programs. These programs add more than \$13 billion to the gross domestic product and sustain about 190,000 full- and part-time jobs.
- Law Enforcement and Investigations (\$131.6 million, an increase of \$5 million above the FY 2016 enacted level)—the funds will support intensive operations at marijuana plantations on the national forests and a comprehensive eradication, dismantling, and reclamation strategy. The additional resources will pay for removing infrastructure, trash, debris, and hazardous materials (such as rodenticides and herbicides) at the plantations and for reclaiming old marijuana sites.
- Facilities (\$71.6 million, a slight increase from the FY 2016 enacted level)—to maintain our developed recreation sites and our fire, administrative, and other facilities.
- Forest Health Management (\$92.1 million, a decrease of \$7.5 million below the FY 2016 enacted level)—to address forest health on both federal and cooperative lands by treating 644,000 acres. We will assist landowners through Forest Stewardship to maintain private forests.

Strategic Goal 3—Apply Knowledge Globally

The Forest Service maintains a long record of land management success, even though we work in complex and changing environments. We attribute our success in part to our world-class expertise in research and development; our capacity to develop new technologies; our innovation in forest products; our ability to conduct resource assessments; and our vast collection of geospatial information, inventory data, and monitoring information.

Through intellectual inquiry and knowledge transfer, the Forest Service will continue offering land managers and others better information, applications, and tools for natural resource management. By improving our fundamental understanding of forests and grasslands, we will make better decisions and better achieve our goals of sustaining the Nation's forests and grasslands and delivering benefits to the people we serve.

The FY 2017 President's Budget for the Forest Service will fund the research and development needed to sustain America's forests and grasslands and to deliver benefits to people. From on-the-ground natural resource management to long-term strategic policy development, all of our efforts to sustain forests and grasslands and to deliver benefits to people depend on new knowledge, information, and applications.

To meet our goal, the FY 2017 President's Budget makes key investments in the following program areas:

- Forest Inventory and Analysis (\$77 million, an increase of \$2 million from the FY 2016 enacted level)—to continue to implement the annualized inventory program in all 50 States (including interior Alaska), the affiliated Pacific islands, Puerto Rico, and the U.S. Virgin Islands.
- Land Management Planning, Assessment, and Monitoring (\$183.9 million, a slight decrease from the FY 2016 enacted level)—through implementing the 2012 Planning Rule, we will achieve efficiencies in agency assessment and monitoring activities. The 2012 Planning Rule promotes a collaborative science-based approach for planning, monitoring, and conducting assessments.
- International Forestry (\$8 million, the same level as the FY 2016 enacted level)—these funds will help the Forest Service prevent illegal logging internationally, protect U.S. forests from invasive species, support international policy discussions on climate change and the role of forests and grasslands in greenhouse gas mitigation, and bring innovative technology developments to the United States.

Legislative Proposals

In connection with the FY 2017 President's Budget, we propose several key legislative changes to improve our effectiveness in delivering programs and services:

- *Fire Suppression Cap Adjustment.* We propose a budget cap adjustment to fund suppression costs for large and complex fires. Suppression would be funded at a level that covers 98 percent of the fires we fight, or 70 percent of our 10-year average suppression costs. Remaining fire costs would be funded through an "off-budget" fire suppression cap adjustment. This proposal provides a long-term solution to address the critical and growing problem of paying for catastrophic wildfire versus annually enacted funding solutions. While the latter may help avoid disruptive mid-season transfers, it introduces a large amount of uncertainty about consistent funding levels needed to maintain a meaningful program of work.
- *Collaborative Forest Landscape Restoration Program.* We propose increasing the authorized funding level for this successful program from \$40 million to \$80 million, which would fund up to 10 additional projects. The legislative proposal also extends the end date of the authority to 2026 to allow for the full implementation of additional projects, should the Forest Service receive an increased appropriation. We request expansion of authorized funding levels to support additional collaborative partnerships with local communities.
- *Federal Lands Recreation Enhancement Act.* We propose one-year re-authorization of the Federal Lands Recreation Enhancement Act. Under the Act, 95 percent of the recreation fees collected on a national forest or grassland are retained at the unit where collected, to be reinvested in recreation sites and services. This is an interagency proposal together with the Department of the Interior. The current Act expires on September 30, 2017.
- *Small Tracts Act Conveyance Authority.* We propose establishing additional categories of National Forest System land that the Secretary of Agriculture is authorized to sell, interchange, or exchange, if in the public interest. By tying the conveyance authority to the existing Small Tracts Act, the Forest Service will be better equipped to resolve landownership and land management challenges, save limited resources, address community needs, and move appropriate lands into private ownership. The proposal would also

minimally increase the maximum value of the land that could be conveyed to better align with current land values.

- *Land and Water Conservation Fund.* The administration proposes permanent authorization for annual mandatory funding, without further appropriation or fiscal year limitation for the Land and Water Conservation Fund programs in the Departments of the Interior and Agriculture beginning in FY 2018. Starting in FY 2018, \$900 million annually in mandatory funds would become available. In FY 2017, our budget proposes \$900 million in total Land and Water Conservation Fund funding, comprising \$425 million in mandatory and \$475 million in discretionary funds. Proposed language will be transmitted to Congress shortly.
- *Secure Rural Schools and Community Self-Determination Act.* We support Congress reauthorizing the Secure Rural Schools and Community Self-Determination Act of 2000 and making payments through mandatory funding. The funding for extending the act through 2020 is included in our Budget Justification, and we look forward to working with the Committees to develop the legislative proposal.
- *Extension of Grazing Permits.* We propose that the terms and conditions of section 325 of Public Law 108–108 (117 Stat. 1307), which regard grazing permits issued by the Forest Service on any lands not subject to administration under section 402 of the Federal Lands Policy and Management Act (43 U.S.C. 1752), shall remain in effect for FY 2017. This would address recent amendments to section 402 of the Federal Land Policy and Management Act and public concerns that the amendments do not apply to grazing permits issued by the Forest Service on the national grasslands and on eastern national forests.
- *Direct-Hire Authority.* We propose direct-hire authority for resource assistant interns who have successfully completed the new Resource Assistant Program. The program is designed to attract recent graduates of institutions of higher education, with particular emphasis on women and on graduates from historically Black, Hispanic, and Native American schools or other schools with diverse student populations. Direct-hire authority will give us more flexibility in recruiting successful graduates of the program into our workforce.
- *Grazing Administrative Processing Fees.* The President’s Budget includes appropriations language for a three-year pilot project to allow the Forest Service to recover some of the costs of issuing grazing permits/leases on National Forest System lands. The Forest Service would charge a fee of \$2.50 per animal unit month, which would be collected along with current grazing fees. The fee will help the Forest Service pay for processing pending applications for grazing permit renewals. During the period of the pilot, the Forest Service would work through the process of promulgating regulations for the continuation of the grazing administrative fee as a cost recovery fee after the pilot expires. The fees will be credited to the Management of Lands and Resources appropriation. The estimate for 2017 is \$15 million.

Future Outlook

The Forest Service serves the American people by ensuring that their forests and grasslands deliver a full range of values and benefits, including hundreds of thousands of jobs and annual contributions to the economy worth many times more than our entire annual discretionary budget.

We are facing some of the greatest challenges in our history. Invasive species, climate change effects, regional drought and watershed degradation, fuel buildups and severe wildfires, habitat fragmentation and loss of open space, and devastating outbreaks of insects and disease all threaten the ability of America's forests and grasslands to continue delivering the ecosystem services that Americans want and need. In response, the Forest Service is increasing the pace and scale of ecological restoration. We are working to create healthy, resilient forest and grassland ecosystems capable of sustaining and delivering clean air and water, habitat for wildlife, opportunities for outdoor recreation, and many other benefits.

As noted in our report last year, the growth of fire from 16% of the agency's budget to more than 52%, before transfer, in FY2015 is putting the agency in an untenable position. Major shifts in financial resources and in staff capacity, with non-fire staff down 39% as a result of the increasing costs of fire suppression, are having a real impact on our ability to fulfill our mission of caring for the land and serving people. It impacts the acres we can restore, the timber projects we can plan, the trails we can maintain, the communities we can protect, and so much more. The fire suppression cap adjustment proposal in our budget request would prevent fire transfers and maintain capacity for other programs.

Our budget request focuses on restoring resilient landscapes, building thriving communities, and safely managing wildland fire while providing an effective emergency response. Our requested budget will enable us to continue to make progress addressing the growing extent and magnitude of our management challenges and to furnish the mix of values and benefits that the public expects from the national forests and grasslands. Our budget priorities highlight the need to strengthen cooperation, collaboration, and public/private partnerships that leverage our investments to reach shared goals. Through strategic partnerships, we can accomplish more work while also yielding more benefits for all Americans, for the sake of all generations to come.

This concludes my testimony, Mr. Chairman. I would be happy to answer any questions that you or the Committee members have for me.

Tom Tidwell
Chief, USDA Forest Service



Tom Tidwell has spent 39 years in the Forest Service. He has served in a variety of positions at all levels of the agency, including as district ranger, forest supervisor, and legislative affairs specialist in the Washington Office. As deputy regional forester for the Pacific Southwest Region, Tom facilitated collaborative approaches to wildland fire management, roadless area management, and other issues. As regional forester for the Northern Region, Tom strongly supported community-based collaboration in the region, finding solutions based on mutual goals and thereby reducing the number of appeals and lawsuits.

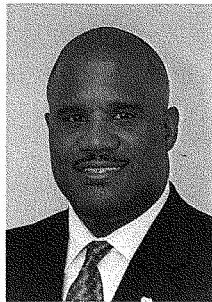
In 2009, after being named Chief, Tom set about implementing the Secretary's vision for America's forests. Under his leadership, the Forest Service is restoring healthy, resilient forest and grassland ecosystems—ecosystems that can sustain all the benefits that Americans get from their wildlands, including plentiful supplies of clean water, abundant habitat for wildlife and fish, renewable supplies of wood and energy, and more.

Such benefits are at risk from the effects of climate change, and Tom has led the way in forging a national response. Under Tom's leadership, the Forest Service has charted a national roadmap for addressing climate change through adaptation and mitigation. The Forest Service is taking steps to help ecosystems adapt to the effects of a changing climate while also taking action to mitigate climate change, partly by reducing greenhouse gas emissions.

Tom has facilitated an all-lands approach to addressing the challenges facing America's forests and grasslands, including the overarching challenge of climate change. Such challenges cross borders and boundaries; no single entity can meet them alone. Under Tom's leadership, the Forest Service is working with states, Tribes, private landowners, and other partners for landscape-scale conservation—to restore ecosystems on a landscape scale.

Tom is married to Kim, and they have one daughter, MacKenzie.

Antoine “Tony” Dixon
Director of Strategic Planning, Budget and Accountability (Budget)
USDA Forest Service



Tony Dixon, a native of Atlanta, Georgia, is currently the Director for the Strategic Planning, Budget, and Accountability office for the USDA Forest Service, a position he has held since July 2013. In this capacity, he is responsible for management and oversight of the execution, formulation, and presentation of the agency's budget, developing and integrating implementation of the agency strategic plan, and all performance and accountability measures and agency strategic goals.

Tony is a 25-year employee of the US Forest Service and launched his career as a cooperative education student on the Routt National Forest in Steamboat Springs, CO. He has served in a variety of positions and geographical locations, including the National Director of the Forest Service Job Corps Program, Deputy Regional Forester of the Rocky Mountain Region, and Forest Supervisor of the National Forests in Mississippi. He also served as the Deputy Regional Director of Public Affairs in the Atlanta-based Southern Regional Office and held a number of positions in the National Headquarters in Washington, DC, including Program Analyst, Legislative Affairs Specialist, Deputy Area Budget Coordinator, and Chief of Staff for the Deputy Chief of the National Forest System.

Tony has a bachelor's degree in marketing and forestry from Alabama A&M University and a master's degree in administration from Central Michigan University. Tony is married to Dr. Angela Cole Dixon, and has one adult son, Christopher.

Mr. CALVERT. Thank you, we are going to start with Mr. Stewart out of courtesy. He has a hearing he needs to attend, so I am going to recognize him first. Thank you.

Mr. STEWART. Thank you, Mr. Chairman. You are very generous. And to the other members, thank you for your consideration. Chief, thank you. We have had many conversations. We appreciate what you do. I recognize you have got a tough job, but I hope that we can, through this conversation and through these hearings, come to a meeting of the minds on some issues that are incredibly important to me and to my district.

I represent the 2nd District in Utah. Nearly 80 percent of my district is Federal land, 4 million acres of Forest Service lands. To say that tension is simmering in my district would be a gracious understatement, as I know you know. Some of the things that have made those tensions rise are things that I think we could have avoided and should have avoided. They deal with three things, and I want to talk about them very quickly. The first one would really be just kind of yes/no, and that is this issue with the labor rule and overtime for outfitters and guides. The second, more deeply felt, are the grazing and the water rights.

LABOR RULE AND OVERTIME FOR OUTFITTERS AND GUIDES

So let me ask specifically the first one, and that is, and I know you know the background on this, so I will just be very quick. Do you agree that the intention of Congress on that was very clear and that the Forest Service would not proceed with implementation of the labor rule?

Mr. TIDWELL. I understand the intent. For me it is clear. We are having discussions with our attorneys on that, but I definitely understand your intention.

Mr. STEWART. Okay. And I appreciate you saying that for you it is clear, that we agree on that, and I think that we do agree. Hopefully we can get others to recognize that as well.

GRAZING

The more prickly issues, and I will not be the first one who talks about this I am sure. But I could give you examples of people sitting in this room who are here today who have had firsthand experiences. For example: a family operation that had been accused by really a very aggressive environmental group of over-grazing. They voluntarily gave up half of their allotment. They requested a hearing with the Forest Service. They were given 15 minutes to present their case. The Forest Service then spent an hour and a half behind closed doors with this environmental group and left them in a very, very precarious situation. This is not a huge corporate farm. This is a family farm, as I grew up, ranching.

Help me understand what I can go back and tell my constituents to assure them that the Forest Service is not out and tipping the scales in favor of radical environmental groups against family farms and ranches.

Mr. TIDWELL. Well, my response is simply that grazing is part of multiple use. And we believe it is not only a legitimate use, but it helps to maintain our communities, and it also helps to maintain the wildlife habitat and to maintain open space. When we lose the

ranching community, we lose a lot of benefits that the public takes for granted.

So what I would like you to share is that we are the strongest supporters that they have when it comes to grazing. If we need to do a better job to make sure that we are very transparent in being able to deal with these issues, then we want to take that on.

Mr. STEWART. And, Chief, I have to say, not you perhaps individually, but your organization does need to do a better job at that because there is a very broad perception that the scales are tilted against them. And, again, if you want to come talk to people who are very, very angry right now, come to my district. We have got to find a way to defuse that. We have already seen the outcome of that, and it is not going to get better as long as they feel like the Federal government has a boot on the throat of these family ranches.

Mr. TIDWELL. Well, also the governor's office has extended his staff to be able to work with us, to be able to sit down and actually have the governor's office be able to kind of bring people together, to maybe tamp down some of the tension and have the dialogues and discussions we really need. So I appreciate the governor's staff, the governor being able to step up and help in this situation.

So I am looking forward to that so we can move forward. I did meet with several of your county commissioners this past weekend, and we had similar discussions about some ideas about, okay, how can we just change this so that it is very clear that we, of course, need to listen to everyone, but at the same time we need to do this in a transparent process. And our intent without any question is to maintain livestock grazing.

Mr. STEWART. We appreciate that, and you are right, the governor has been active. We actually held hearings down there about a month ago through Chairman Bishop and the Resources Committee, and those things make a difference. It gives the people that are impacted by this the feeling that at least they are being heard and that they are not being ignored, and they are not given 15 minutes, and then an environmental group is given an hour and a half, again, behind closed doors.

The third thing if I could, and I do not see a clock. I am not sure how much time we have.

Mr. CALVERT. I am the clock. [Laughter.]

GRAZING AND WATER RIGHTS

Mr. STEWART. I will go quickly. The same perception not only about grazing rights, but about water rights as well, and individuals being told that in order to renew their grazing, they have got to give up some of their water allocations. And my heavens, you do that in the West, and that is like giving up your lifeblood. You cannot survive without those water allocations.

I know some individuals, some sitting here in this room, tell me firsthand knowledge of them being told we will reallocate your grazing, but you have got to work with us on your water rights. Please tell me that that is not a policy that the Forest Service would defend.

Mr. TIDWELL. We have had a policy. This policy has been around for decades. It is there as kind of a security if there is a potential

threat of the water being taken away from the land so we could not continue grazing. So this is an issue that we want to work with folks to find a better solution because our intent is one thing. That is to be able to keep the water with the land because when you take the water, we are no longer grazing.

So that is our sole intent. We ought to be able to keep the water there so we can continue grazing. So I think this is an opportunity, we have to be able to move forward together because when I talk to ranchers they agree with me. They've got to keep the water there because if you take the water they cannot use the land.

I think this is one of those issues where I think there is agreement on it. We just need to get to work to be able to make some changes so that we are together like this. I think in your State we may have even some additional benefit because of some of the State laws that are in place. It actually may be very helpful.

Mr. STEWART. Well, Chief, thank you. And, Chairman, again, thank you for letting me kind of jump ahead of the line. And I will just conclude by saying I grew up ranching, and this is not like most other jobs in the country. There is a deep, deep culture that means more. This is not just a job. And if we do not make some progress in helping these folks feel like they are not being ignored and, in fact, being abused by the Federal government, then we are going to have situations out there that just become worse. So thank you for working with us on those, Chief.

Mr. Chairman, thank you.

Mr. CALVERT. Thank you. Thank you. Ms. McCollum.

ABANDONED MINE LANDS

Ms. MCCOLLUM. Thank you. Before I begin my questions, I want to revisit quickly a topic that we discussed last year. This is controversial mining proposals that the Forest Service are dealing with across the country. In northern Minnesota, copper-nickel sulfide mining poses a threat to the water quality of Voyageurs National Park, and the Boundary Waters Canoes Wilderness Area.

I understand the Forest Service is working closely with the Bureau of Land Management on these issues, and I appreciate the work that you and your staff at the Forest Service are doing to protect these treasures in our park system that all of America enjoys, and the Boundary Waters and Voyageurs National Park.

It is imperative that we find a way to better balance the cost of fire suppression with the resources needed for other programs that also help you protect, as I said earlier, what we expect you to be able to do in the Forest Service. However, your budget warns that the shift is eroding our ability to serve Americans in a myriad of ways, such as delivering clean air and clean water.

I am troubled by this statement because 180 million Americans depend on drinking water that flows through our national forests, and that accounts for 20 percent of the Nation's clean water supply. It is an estimated value of \$7.2 billion a year. Your budget request states that currently 48 percent of the watersheds in the national forest and grasslands are not functioning properly, and that goes to the discussion that you were having with my colleague, Mr. Stewart.

Along that line, our country has a legacy of abandoned mine lands that pose safety risks to public health, with pollutants that contaminate water—39,000 abandoned mine sites on our national forest lands. Over a third of them produce minerals like arsenic and lead that could have significant impacts on human health and the environment.

The budget proposes to increase the funding to mitigate safety risks of abandoned mines by \$4 million. Additionally, the budget requests another \$4 million to increase managing environmental restoration of these abandoned mines. I am pleased that the Administration is requesting these increases, but as you know, we need to do more.

The timeline for your environmental restoration is even more disarming. According to the budget request, with what you have been able to request, only 150 sites have been cleaned up since 1998. This rate is just unacceptable, Chief. What steps are the Forest Service taking to create a path forward that will accelerate the mitigation and restoration so that we do not leave abandoned mines to be a burden for the next generations to pay for, quite frankly, with their tax dollars and which will put their drinking water at risk?

Mr. TIDWELL. Well, you stated the inventory. That was our first step is for us to have an accurate inventory about just how many that we have. Then also what is the risk so that we can actually prioritize where is the top place we need to spend our limited resources to address this problem. Yes, we need to be doing more. We are also working with partners. We are working with the States on these issues because they too share the concern of the contamination of both surface water and ground water from these.

The other thing that we have done is we put in place a direction that from now on we are going to make sure that we require enough funding to make sure we can clean up these properties after the mining has been done. That has been one of the problems that created this backlog. In the past, we never fully understood the complications of some of these mining operations, and so we did not have the funds in place. We did not have the bond, an adequate bond, in place so that when these mines were abandoned, there was never enough money to clean it up.

From now into the future, we are going to require that there is enough funding available to be able to take care of these problems, even if it is over the next hundred years, so we should not be adding more to it. So that is the first thing. But then going back, this is just another example of the things that the public is demanding. We need to be able to do this, and we have to find a way to be able to expand getting more of this work done.

I feel good about what we are doing. I feel good about the inventory, but there is no question we need to be doing more. So it is just another example, but I wish I could be here next year and be able to talk to you about how we fixed the fire reform issue, and the fire suppression funding. We are on a different track there. We have some flexibility now that we can talk about where we need to make some strategic investments, and to be able to address these issues.

Ms. McCOLLUM. Thank you, Chief Tidwell. Thank you, Mr. Chair.

FIRE TRANSFER

Mr. CALVERT. Thank you. Chief, I have a couple of questions on the wildland first and the budget cap adjustment. Your Fiscal Year 2017 budget again proposes to establish a new budget framework for the Wildland Fire Management Program. A total of \$874 million in discretionary fund is the request for fire suppression, and an additional \$864 million is requested through a budget cap adjustment. On that, can you share for us any lessons you learned from this last fire season in 2015?

Mr. TIDWELL. Well, the number one lesson is the burden that was put on the agency to have to transfer the amount of money we did in such a short period of time; it is just really something that I am so impressed that our folks were able to be able to do it. They were working often 24 hours a day trying to shift money to be able to keep us from always having the funds available to pay the bill. And I think about the millions of dollars that were wasted from having to deal with that transfer, and all the potential for accounting mistakes to be made with moving money around so quickly, et cetera. So that is one of the concerns, definitely a lesson that I learned.

The second part of it is that to predict the fire season is very difficult. Our scientists are telling us what it is for this coming year. We are here talking about Fiscal Year 2017. So for Fiscal Year 2016 right now I can tell you with 90 percent confidence that this coming fire season is going to cost somewhere between \$604 million and \$1.7 billion. I am 90 percent confident it is going to be there. [Laughter.]

That is for 2016, and we are talking 2017 here. The other reality is that you just cannot budget for wildland fires. So that is the other thing that just hit home.

Then the other part of it, even last year's fire season, it started off a little less active than what we predicted, but then all those drought maps showed where we had extensive drought. Part of it was in your State. It all came true. We had the big fires in California, Oregon, Washington, Idaho, and a lot of other places in the country.

It played out just like it was predicted, but then when people saw how much it cost, it is like, what? How can you spend that much money? Well, 27,000 people are responding to our fires, and at the same time supporting the State and the county with their fires. So I will tell you, those are some of the lessons that I learned.

The numbers that we put forward in our budget are numbers that would prevent any need to ever transfer funding, so we would eliminate that wasteful practice. We are not going to spend the money if we do not need it, and we want to be able to show you without any question this is what it cost for each fire. We manage those costs. We also are making very good decisions that when we cannot be effective, we are not going to put people in harm's way. I do not care how much people are talking to us or directing us. We are not going to do that because it is just wasteful.

We made some really good decisions last year, and a couple of them—yes, we had large fires. But I trust our folks on the ground when they say I am not going down into that canyon. We are not going to ask them to go into that canyon. Those professionals know when we cannot be effective because of the drought conditions.

But we just have to have a different approach because we will come in here with our best science, but in reality I just cannot predict exactly how much money we need for Fiscal Year 2017. It is going to be a big range. Then the worst part of it, if we have millions of dollars that are just sitting there when we have a lot of other pressing needs, as a taxpayer I am not okay with that. So those are some of the lessons that I learned.

BUDGET CAP ADJUSTMENT

Mr. CALVERT. Okay. Do you believe that a budget cap adjustment will help improve the Nation's forests, and have you laid that out in your budget request?

Mr. TIDWELL. Yes, and it does it through a couple ways. It stops the transfer, so that is off the table. We do not have to worry about that anymore. We can plan on getting our work done. It slows down the growth of the 10-year average. Also, it does free up some constraints for the Appropriations Committee to make a decision about how that could be used. So that is the other way that it would also help us potentially to be proactive to be able to make the investments.

We will be glad to provide you with a long list of all the success that we have every year for where we get in there and do the thinning before the fire starts. We are effective with our suppression. We reduce the risk to our firefighters. We have less homes that get burned and watersheds recover so fast because we just do not have the severity.

The solution is simple. It is just large. We have to continue to increase the number of acres. I feel good today that between our restoration efforts and the work that we are doing on hazardous fuels, we are treating over four and a half million acres every year. A decade ago we were treating about 400,000. So we have made significant advances in the work that we are doing, and we just need to be able to continue to maintain that and increase it.

Mr. CALVERT. All right, thank you. Mr. Kilmer.

COLLABORATIVE FOREST LANDSCAPE RESTORATION (CFLRP)

Mr. KILMER. Thanks, Mr. Chairman, and thanks, Chief, for being with us. It is helpful to get an understanding of your priorities and I look forward to seeing you later today at the celebration of the removal and restoration of the one thousandth culvert—

Mr. TIDWELL. Yeah.

Mr. KILMER [continuing]. Which is certainly a big deal in our neck of the woods.

I grew up on the Olympic Peninsula, and that is the district that I now represent. People from other parts of the country often say I represent more trees than people when you add up the Park Service and the Forest Service. And certainly the presence of those forests are important both from a recreational standpoint and really

important to our economy. And so, I guess that is the nature of the questions I want to ask about.

The Collaborative Forest Landscape Restoration Program I think is a good example of how government can be a partner with rural communities. Since 2010 you have seen the coming together of groups that have occasionally been butting heads from the conservation community and from industry. The result of that is nearly 1 and a half million acres that have been treated to reduce the risk of fire, and over 84,000 acres of new timber sales. We have just started one of these on the Olympic Peninsula, and it is cool to see groups that have traditionally been arguing with each other trying to work through some of these issues.

I guess my question is, if the Forest Service continues to see support from the House, because I like the idea of trying to reward good behavior, is there an opportunity to increase investments in new collaboratives rather than just supporting the ones that have already been launched?

Mr. TIDWELL. Yes, we do have a legislative proposal to be able to expand the CFLRP authority to be able to increase the funding from \$40 million to \$80 million for future years. Without any question, it has been hugely successful for the points that you brought out.

Then the other thing that members that work on these collaboratives, what they also share with me is that the other key difference is they are able to agree on large projects. Instead of working on a 500-acre or a thousand-acre project, they are able to reach an agreement on treating. We need to be looking at 10,000, 20,000, 30,000 or more acres at one time. That is the real difference, and it is just simply, it comes down to trust. You provide the opportunity for people to come together to be able to share their concerns, express their values where people then hear that, and they can build trust. Then we are able to move forward.

When I look at the amount of acres that we are treating today versus what we were a few years ago, one of the biggest changes is that we have been able to build trust across the board from all the different diverse interests to the point that they recognize this is what the land needs, and yes it creates a lot of economic benefits, jobs, and biomass that is produced, but it is driven simply by what the land needs. When you are focused on that, a lot of the controversy goes away.

Mr. KILMER. Yeah, that is certainly. We are still early going, so we are trying to work through a lot of these things, and it is a bunch of people taking time out to help, so I appreciate that.

FOREST ROADS

I also wanted to ask about forest roads. This past winter we just had some very large storm events that, again, blew out culverts and washed out roads. The concern is not just in terms of public access for recreational purposes. We also have folks who live in these areas, and this just makes it hard for them to get to and from their homes.

We have seen preliminary damage estimates submitted to the Emergency Relief for Federally Owned Roads Program, over \$6 million. In an era where we are seeing more intense storms, how

does the Agency think about proactively addressing this issue so that we are investing in infrastructure to deal with these severe weather events on the front end, rather than seeing a bunch of people cut off both in terms of recreational access and in terms of being able to get to their home?

Mr. TIDWELL. On each of our forests, we have done a vulnerability assessment to understand with the changing climate, what do we need to expect especially with large rain events, especially rain on snow events, which we get in your country quite often now. So that allows us to be able to identify that we need in some places to increase the size of these culverts, other places be able to remove the culvert and use a crossing or something like that. So those are the things where we have been proactive.

I appreciate you being a co-sponsor of the event this evening to be able to celebrate that level of success, but those are things that we can point to where we are making a difference. We are reducing the amount of erosion. We are improving fisheries. More important or as important, we are maintaining public access by being out in front of this.

Mr. KILMER. Thanks. I've got plenty more questions, but I want to defer to the rest of the committee. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. Mr. Cole.

FEDERAL LANDS

Mr. COLE. Thank you very much, Mr. Chairman, and thank you, Chief. I appreciate the testimony. I have exactly the opposite problem of Mr. Kilmer. I have more people than trees. [Laughter.]

And probably more cows than people, so it is a very different kind of landscape. We see 5 trees together, and we define that as a forest in Oklahoma. [Laughter.]

But we have very little Federal lands. We have got Indian trust land, and it is, frankly, well managed by the tribes that hold it. We have got some military installations that are obviously Federal and well managed, and a couple of wildlife preserves and one national park, so. But most of our land is in private hands.

And I am just curious because I hear these problems like Mr. Stewart addressed, and I hear my colleagues from States in which 80, 85 percent of the land is federally owned. You manage over 193 million acres, and I think you do it with the resources that you have. But what is the merit of considering should we be offloading some of this land? Do you see it in perpetuity staying as it is? I am interested in your long-term view of what we do with the assets. Do we hold it as the Federal government or is there merit, as some of my colleagues are saying, to returning this one way or another in a managed way into private ownership?

Mr. TIDWELL. Well, I will start with a quote from Gifford Pinchot, the first Chief of this agency when this agency was created. The quote is simply that "National forests exist for one reason and one reason only: the public wants them." The National forests were reserved from the public domain, the majority of them when Congress was petitioned or the Administration at that time, the President was petitioned to be able to withdraw these areas from the public domain because they were not okay with the amount of devastation and flooding that was occurring. This lack of any manage-

ment, this was back in the 1800s, so that is what created this system of lands.

Then there is a system of laws that Congress just passed, Presidents have signed, and agencies have implemented on the ground to represent how the public wants these lands managed. Multiple-Use Sustained-Yield Act, wonderful to read it, sounds perfect, then I will tell you it is really difficult to implement it on the ground. It is one of the things that is different than while the States manage a lot of their lands and, of course, private landowners is that we have to find the balance of all these different uses versus being able to manage it for any single one use.

So for me, I like the way that we have our system of ownership in this country. I think it provides all the benefits to the public.

Mr. COLE. Let me posture it again, and it is not meant to be adversarial in any way. It just is something I struggle with. We actually do have a lot of timberland in southeast Oklahoma. Most of that is privately held, and it was set up that way. When the State was opened up, frankly, a lot of the Indian tribes were sort of looted out of the land. We just had a big settlement on that which we appreciate, but the land remains in private hands, and it is productive. It is a beautiful area.

So what I am wondering is, you know, we clearly have systems that have come into being at different times, and it is one thing for me to think about what I want to do in my State. I just love having 80 percent of Nevada in Federal hands, you know. I am not sure people in Nevada want to do that.

And, again, I am not suggesting the elimination of these, but is there a time or a way to rethink whether or not we have the right portion because those questions, as Mr. Stewart suggested, are coming up, and they are coming up in a not very productive way, in my view. We have a lot of people caught in difficult circumstances, and they feel adversarial with their own government when they do not want to feel that way.

So how would we rethink some of these things, or should we, again, because while it is true we have created this system, it is an accident in the way we create it. We did not think about it that way from the beginning of the republic. We did not apply that set of standards to every State in the country, let alone every region in the country. So, given that, is there some merit to think in some ways of divesting it, or would you argue we should essentially take the assets we have and continue to manage them, get better at it, and provide the resources.

I am just wondering if there is ever any thought inside the Federal government about the first principle, if you will. How much of this land should we own? How much should be in private hands and managed differently?

Mr. TIDWELL. Well, I am a strong advocate for our system of land ownership, and I think these lands should remain in public ownership. They are public lands. I am concerned that when I hear proposals from States, I am concerned how you would pay for the management. What would prevent you from selling it off?

Mr. COLE. Selling off is precisely what I am suggesting. Not all of it. Well, I just think it is worth thinking about, and I am just curious if the Administration or anybody ever at least explores this

as, you know, a realistic option. If it is like it is now and we are going to think about managing things better, and putting in resources, that is one thing. Do we ever go back and think, geez, how much do we need to hold, where do we need to hold it, or is it just we are going to hold what we have in perpetuity?

Mr. TIDWELL. Well, that is my position. Based on what I hear from the public across the country, and I understand there are pockets, and I want to focus on what we can do to address those issues so that we can do a better job to address those concerns. We are very fortunate in this country to have this conservation legacy. I will tell you, in the future when you think about close to 14 percent of the CO₂ that is emitted every year in this country is sequestered in our forests, we need to be looking at how we can expand those forests.

So the idea that we would want to do anything to lose some of these lands to some form of development, we have got to understand those consequences because as I look forward into the future, I will tell you, it is going to be so important for us to be able to maintain and actually expand our forests if for no other reason just for air quality. They do an incredible job with sequestered carbon, then when we can have sustainable harvests, and we can also sequester it into these wood products.

It is going to be something that is going to become even more important for this country and actually for the world.

Mr. COLE. I will make this last point. You have been generous, Mr. Chairman. And my intent is not to question you or to express sympathy with some of the types of actions that we have had and that you have to deal with it. I do not think that is ever an acceptable thing. But I do think you have very articulately outlined your position. But I would like some study because, again, we do not hold the same balance of lands regionally across this country. And I am not in an area that is directly affected by this for the most part.

But I do think, you know, when we know 1 out of 5 acres in the country is federally owned, that, to me, is worth thinking about, particularly when it is concentrated in a relatively small area. 50, 60, 70 percent of the State being owned by the Federal government is pretty difficult on the people that live there. And whether or not we should redistribute that would be a fair question, too.

But, again, you have been very generous, Mr. Chairman. Thank you very much. And thank you, Chief.

Mr. CALVERT. Thank you. Ms. Pingree.

WHITE-NOSE SYNDROME

Ms. PINGREE. Thank you very much, Mr. Chair. Thank you, Chief, for your testimony today, it is certainly interesting to see the breadth of issues that we have in all the diverse States. As you know, I represent Maine which is in New England, and we have very little presence of public lands. We are fortunate that we have more water than drought, so we are not one of the States that are so deeply affected by the fires. But I do appreciate the challenges that you are dealing with, and I hope that one of the things that we can tackle on this committee is to have that funding be more

stabilized so the rest of the funding that many of us care about is better available to us and certainly more predictable.

Sorry I have to go to another hearing, and I will give you a few questions for the record. But I will just quickly ask you about a very different kind of issue that I think the Forest Service has been handling well in terms of the back and forth, and that is the northern long-eared bat. We have a lot of forest in our State, and we have a lot of timber harvesting, but it is, of course, all private land.

This has been a big concern for the Forest Service, Fish and Wildlife, as well as our timber harvesters. We are particularly concerned that you are able to maintain the balance of dealing with the private landowners, the small landowners, the loggers themselves. As you know, this is an issue where the bat has been troubled by White-nose syndrome, the fungal disease, so there was some question about whether they would be listed as endangered. And the Wildlife Service has listed them as threatened, which gives a little bit more wiggle room. I know some of that was controversial as there were those who wanted it to be endangered, but this gives us a little bit of a middle ground in that you are now working on a tag and release program that is currently level funded.

I just want to talk a little bit about that because what is critically important in my State is that we continue to ensure this coordination with the local wood lot owners. If you could briefly tell us about how you are doing as a result of that 2015 study that you did, how you worked with other agencies, particularly Fish and Wildlife. Will you be able to continue to fund this work under the budget request for forest and rangeland research at last year's level? And just how will you continue that cooperation since white-nose syndrome is one of the things that we certainly hear about from our landowners?

Mr. TIDWELL. Well, first, we will continue that level of funding. We have a great partnership with several universities that is helping to find solutions to the white-nose syndrome, and we are actually making some progress on it.

When it comes to managing our forests, there are certain spruce trees that are important to be able to maintain those and not impact the bats. We have been able to work with Fish and Wildlife Service to be able to say, we can adjust some operations here and still be able to get in there and be able to manage our forests and not impact those bats. So I feel really good about the work we have done together with the Fish and Wildlife Service.

What really helps us is that they understand the benefit of the forests, and they understand that if we are not managing these forests, and we are going to lose the bat habitat, or in your case with private land, it gets developed. You are fortunate that you have not had as much pressure as the rest of this country, but it is starting in your State, too.

I will tell you, it is so essential that we find ways to be able to maintain our private forested lands. It is the majority of forests in this country. Over 50 percent of our forests are private. It is essential that we maintain those.

Ms. PINGREE. Absolutely, and I appreciate your saying that because you are right. In our case, it is not the pressure from the Federal government or the publicly owned land, but it is very im-

portant to people in our State and in the region that much of this land continues to be able to be harvested, or timber, or pulpwood, or a variety of uses. And development pressure is certainly growing in our area.

I think when you look at a map of the East Coast, you see all the bright lights and you finally get to northern Maine and you see a little bit of darkness. And that means that we have some of the last preserved forests, but that will only stay there if people are able to make it economically viable for those communities. We appreciate your moderation in this and the ability to work with you, so thank you.

I yield back.

Mr. CALVERT. Thank you. Mr. Jenkins.

FOREST SERVICE STEWARDSHIP PROGRAM

Mr. JENKINS. Thank you, Mr. Chairman. Chief, welcome. As we have talked before, I think West Virginia has a good relationship with the Forest Service, and we appreciate you.

We have 125,000 private landowners and about 80 percent of our forests are privately owned. I want to ask you about the Forest Service's Stewardship Program.

Under the proposed Fiscal Year budget that we are talking about, there is over a half a million-dollar cut suggested in that program. We think this program provides a lot of technical support. It is an important tool. It has been successful. Can you give me a rationale for why the proposed cut to what we see as an important program that provides much-needed services?

Mr. TIDWELL. Our request does not result in a reduction, but what it does do, it moves some of those funds into our landscape scale restoration budget line item. Once again, this is where we have taken funds from stewardship for forest health on State lands, urban community forest funding, and we put that together in one account to sort of create a better way for the State foresters to be able to compete for that funding and be able then to address all these issues across the board versus we have this pot of money to be able to address urban community. We have this pot of money for forest stewardship. We have this pot of money for forest health.

It is an area we are actually, based on the success that we had last year, we are increasing our request in Fiscal Year 2017 to be able to expand this. We have good support from our State foresters because they are seeing that this is actually helping them to be competitive, and they also see that it is actually helping to get more work done on the ground.

STATE ACTION PLANS

Mr. JENKINS. The farm bill directed State foresters to take a comprehensive look at forests. Can you help me understand how the Forest Service and the national forests are working with State foresters to accomplish the objectives and priorities detailed in the State Action Plans, and what has been asked for under the farm bill?

Mr. TIDWELL. Well once again the States have done a great job to put together their action plans that we work with them starting a few years ago to help them. I mean, it shows where their priority

is, where they need to really focus their work. Because of those action plans, it allows them to be more competitive for these limited funds.

It also has allowed them to work across State lines. So we have several State foresters now that are working with their adjacent States, and they are putting together these large-scale projects that compete very well for these limited funds, and be able to get more work done.

MONONGAHELA NATIONAL FOREST

Mr. JENKINS. My last question is that as one of the few eastern members here that have substantial national forestlands in their district, I have been monitoring how the Agency's agenda applies to our forests. Last year, one of the questions for the record that I submitted was asking about the most recent forest plan monitoring update for the Monongahela National Forest. When we talked last year, I saw that that update was last done back in 2011, which is on the Web.

And in response to my questions for the record, I was advised that the update would be done by May of 2015. But I have just checked and it appears as though, again, for the Monongahela National Forest we still do not have any forest plan monitoring update. Can you tell me why we cannot get that updated, and why we missed the May 2015 promise, and where we stand on that?

Mr. TIDWELL. Well, I appreciate our folks being optimistic about how much work they can get done, but it is another area that we lack the funding, the capacity to be able to maintain the monitoring.

One of the things we are doing under the new forest plan rule, it allows us or gives the direction for us to be able to do these monitoring plans in a more collaborative effort so that we can use others to help us to be able to get that work done, and expand it. As to why they did not get your forest done, I will get back with you and find out if they made the commitment, they should have followed through with it.

It is an area that in the past we have not done the job to monitor, and so it is so important for us to really understand what is going on. If our decisions and our forest plan are proving out, that is great. If they are not producing what we expected, we need to know that so that we can make changes. So it is important that we do it, and I will get back to you on the status of that.

Mr. JENKINS. The Monongahela is very important in my district and throughout the entire region, so we welcome the feedback, and we continue to look forward to working with you. Thank you, Chief.

Mr. TIDWELL. Thank you.

Mr. JENKINS. Thank you, Mr. Chairman. I yield back.

Mr. CALVERT. Mr. Simpson.

FEDERAL LANDS

Mr. SIMPSON. Thank you, Mr. Chairman, and thank you for being here today, Chief. And before I ask some questions, I have got a few that I would like to address. I do want to respond to something that Mr. Cole brought up, legitimate questions he asked about the amount of ownership of Federal land in western States.

And I guess Mr. Amodei and I could probably have a discussion for some time and often do on the floor about this.

But let me tell you why people live in Idaho. They live in Idaho because they love their public lands. They like access to them for recreation, for hunting, for fishing, for all the activities that they do on public lands. And there is always this movement to turn them over to the States and to let the States manage them. Well, you could do some cooperative management between the feds and the States, but like any landlord relationship, you are always P.O.'d at the landlord, you know? I mean, that is a reality of what happens. If we turn them over to the State, we would be P.O.'d at the State.

And the reality is, like I said, you could do some cooperative management between the States and the feds, and we have been working on some of those cooperative types of arrangements. But let me tell you what happens when you sell those public lands. We just sold 30,000 acres in Idaho to a couple of Texans. That was a lot of fun. And they all of a sudden denied access. So all of a sudden people cannot access their favorite fishing hole or their hunting grounds, and in Idaho that does not mean you just go around the 30,000 acres. It means you get a helicopter and have to go over it or come in from the other side from Montana.

And that is a problem, and that is why we like our public lands. Like I say, we are always P.O.'d at the land managers, and we always will be even if we manage them ourselves because, it is like a quarterback in a football game: we can always do better than the guy out there on the field. So that is my answer to that question.

Mr. COLE. It was a friendly question. [Laughter.]

BUDGET CAP ADJUSTMENT

Mr. SIMPSON. It is a legitimate question, and it is a legitimate debate that is going on in Idaho, it really is, Idaho and all of the West. But let me ask you now a couple of questions. First, the wildfire funding, thank you for your support on the bill and trying to get this through. I am sorry that we did not get the cap adjustment bill through in the omnibus, but we did, thanks to Chairman Calvert and the members of this committee, get a billion extra dollars in additional funding.

Let me make one recommendation. Do not do any transfers this year for wildfire fighting because what I always hear from people as I go up and talk to them they [the Forest Service] has to transfer funds, but they seem to handle it okay. So where is the urgency? Well, this billion dollars will run out eventually, and while this does solve the transfer problem probably for a year, maybe 2 years, maybe 3 years—

Mr. TIDWELL. One year.

Mr. SIMPSON. 1 year, okay. It will solve the problem for this year. It does not solve the long-term problem that we need to fix, and if you do transfers this year, that will be a problem in trying to convince other people there is a fix-borrowing issue. But in your budget request, you asked for, what was that amount? You asked for \$874 million in discretionary funds and requested \$864 million requested through a budget cap adjustment. Why do you put an amount in there?

Mr. TIDWELL. Well, because instead of asking for just, I mean, we feel we need to have an amount, and that is our prediction based on what we see as kind of like the highest need so that there is some assurance so it is just like there is not an endless fund. We do not want to be asking for more authority than we need.

Mr. SIMPSON. Well, the assumption is you are not going to ask for more funds in a cap adjustment than what you are going to need to fight the fires. But what if it goes to a billion dollars and you only ask for \$864 million? Then you are going to be back into transfers, and that is what you are trying to avoid is transfers.

Mr. TIDWELL. You are correct, but it is our effort to put this in a way so that it actually builds some support because we have heard some criticism from others. But that is based on kind of our high projection, kind of like this would be the max. You take last year, the \$1.7 billion. Well, that is what it was. That was at our high end. So, we are pretty good on the extremes. We can tell you the maximum, what it will probably be, and that is what kind of drives that.

But you raise a legitimate question about what if things do not work out, what if things really shift, El Nino shuts down. In 2017 we could be faced with circumstances that were like last year.

AIR TANKERS

Mr. SIMPSON. Well, my whole goal in this is to try to stop the transfers. And people keep saying that we want to spend more money on wildfires, and it is hard to convince some people that, no, what we want to do in the long run is spend less money on wildfires. And we do that through proper management and by not transferring all the funds.

Could you tell me a little bit about where we stand with the air tankers that we authorized at one point in time because the Forest Service is down to, you mentioned the number of contract planes you are going to have. But how many C-130s do we have out there, and where are we with that?

Mr. TIDWELL. With the transfer of the planes from the Air Force, to the Forest Service, we flew one of those C-130s last year. We will have one this year. We will not have all of them operational until 2019. We do have our next generation planes that are on exclusive use contracts. We also still have our legacies.

So this coming year we will have 21 large air tankers under contract. There are probably another four or five that we could call up when we needed, plus we have our Modular Airborne Fire Fighting System (MAFFS) planes with the Air Force and Air National Guard to be able to provide. So we are in good shape. We are also moving forward with the acquisition of an aircraft. We have completed our aviation business case. It is my understanding that OMB has indicated they are going to sign off on it, so we plan to move forward with the acquisition of that aircraft this year.

BIG HORN SHEEP

Mr. SIMPSON. One quick question if I could, Mr. Chairman. Last year the committee added language that directed the Forest Service and the BLM to conduct risk contact analysis, engage ARS, and convene a meeting among interested stakeholders to discuss solu-

tions among other things on the domestic and wild sheep issue. Could you provide me an update on how that is going?

Mr. TIDWELL. Well, we are working with ARS, and the BLM, and others to be able to understand what is the real risk. More importantly, to then sit with the States to be able to identify where is the highest risk. Where are the places we need to make sure that we maintain big horn sheep? What are some of the other areas where there is less risk and there may be a greater need for the domestic sheep, and to be able to reach agreement?

So this is how we are going to work with the States. They manage the big horn sheep. We want to be able to carry out our responsibility to ensure viability of big horn sheep populations, but at the same time do this in a way we are working together and prevent big horn sheep introductions into places it creates more problems in the future.

If we can come to an agreement and have a plan, a State plan so that we are all together on this and we know that these areas we are going to maintain separation of big horn sheep. In this area over here, we may have some flexibility, and the State may not be the best big horn habitat anyway. So, that is an area domestic sheep should have priority on. But this is something we are going to work through with the States, and we are making, I think, some good progress in your State.

Mr. SIMPSON. Thank you.

Mr. CALVERT. Mr. Amodei.

STATE AND VOLUNTEER FIRE ASSISTANCE FUNDING

Mr. AMODEI. Thanks, Mr. Chairman. Chief, good to see you. I do not want to pick sides between Simpson and Cole. [Laughter.]

But since you are supposed to lead, follow, or get out of the way. The House passed last year a bill that proposed to get rid of lands that were in-holdings, small parcels, not manageable as part of the forests generally. The Forest Service supported it. The Administration supports it. Can you talk to somebody in the Senate about getting off their ass and moving that? [Laughter.]

You do not need to answer, but anyhow something to think about.

I was in the Carson Ranger District last week, and I know your history goes through a ranger district in central Nevada, so I want to talk with you about the firefighting stuff. I am looking at the budget request this year, and I see that the line items which have been held kind of actually at flat funding for the last few years for local cooperation, State and Federal work, we got forest stewardship, and we have also got State fire assistance, and volunteer fire assistance has been at level funding. And while in this environment there are some days where level funding is a victory, I look at what has happened in the Service's budget over the last few years, and level funding is sometimes a precursor to getting zero'd out.

I hear your statements about, hey, we ought to use the closest resource regardless of what it is. We do not need to have the discussion here in terms of the importance of initial attack and cooperation with local and State authorities and all that other sort of stuff. And so, as I sit here and look at fuels and fire and all that

other sort of stuff, and it is just another moving part of the puzzle, but you are going, hey, why are we level funding these folks while we are proposing to increase suppression.

And you get into that whole argument in terms of do we put it in suppression, do we put it in prevention, do we put it in thinning, although you said today, hey, thinning is a good thing, and I agree with you. But I am sitting here looking at this going, State assistance, by the way, in a State that you are not the BLM, and I know you are thankful for that every day, and I think you are right. But it is like, hey, for the communities that the Humboldt-Toiyabe plays a large part in, this volunteer and through the state forester stuff is pretty important stuff.

So my question is, can I get together with Tom Hubbard and the folks in your office who develop that to have a better understanding of why that is level as we go forward in the discussion of this committee for that line item, because it is not sex and violence. Nobody is going to be able to make a commercial out of it. But in terms of operational, I think it is an important thing to take a look at? Can we get together offline?

Mr. TIDWELL. Yes, and also I agree with you. You will also notice that our preparedness request, that is not going up either because the need to put any discretion we have into paying the bill for fire suppression, it limits our ability to be able to be proactive and be preventive.

Your point depends on our volunteer fire agencies throughout the country, not only in your State, but in Mr. Cole's State. That is our first defense. This statewide fire assistance is so important for us to be able to maintain, help those folks maintain their qualifications, and also have the equipment so that they can safely be able to carry out the initial attack. They do the majority of the initial attack in this country.

When you look at that, the number of fires we had last year, the majority of them were on private ground. We work together, but your points are well made. We will make sure we set up some time with you to be able to share the information with you.

Ms. MCCOLLUM. Would the gentleman yield for a second?

Mr. AMODEL. Sure.

FIRE FIGHTING TECHNOLOGY

Ms. MCCOLLUM. You are talking about having funding available for prevention. Technology is now playing a role with the possibility of reducing suppression costs. There was a pilot project last year using drones out there so that we hit the fire right. We save lives. We can react in real time. Do you have money in the budget for more robust work with that? It is amazing. They are amazing, what they can do, because it is real time information.

Mr. TIDWELL. We are looking at how we can effectively use that technology. We have had some success in the past when we have used the military's craft in Mr. Calvert's State to be able to use that. So we are having to work that through also with FAA so that it can be part of the technology that we are using.

One of the challenges that we have is that technology provides so much information that we have got to find a way to be able to manage that because we are looking at stuff. We need information

instantaneously. We do not have the ability to look at a lot of different data. So that is one of the things we are also working on is to be able to use the information we really need to collect. I mean, it is incredible what is out there, and especially with the technology that the military has provided a few times.

We had a large fire in California a couple of years ago where we were using an unmanned aircraft that was able to look through the smoke and identify. We actually had some hot spots that were outside the line. Our infrared flights would not have picked him up until that night, but we were able to actually pick it up right then and during the day.

So it is definitely a tool that we are going to be using, but we are going to be working together, and also make sure the public is okay with it because then it raises those questions. At the same time, we cannot have the public flying theirs because we have had operations where we have had to shut down our air tanker operations and our helicopters because it is unsafe.

So it is going to take a little while for us to work through this so that we can use the tool to help us, but at the same time the public can be reassured we are not doing it for anything but checking on the fire.

Mr. AMODEI. We have plenty of drones in Nevada. We fly them over Area 51 all the time. [Laughter.]

Mr. SIMPSON. No, we do not, Mr. Chair. [Laughter.]

Mr. AMODEI. And actually I would kind of like at some point in time just an update because there was report language saying, hey, helicopter test in 2014, blah, blah, blah, how is that going. So what we will do when we set that up for whenever you do, we will make sure that all committee members are aware so that they can either attend or send staff.

Mr. TIDWELL. Thank you.

AIR TANKERS

Mr. AMODEI. Finally, I want to talk to you a little bit about the large air tanker program because I have looked at the 2002 report after we had some bad stuff, and then your modernization stuff. And I am looking at the thing where you are getting Coast Guard C-130s and got to do all that stuff. And I have kind of a concern because the 2002 report says, hey, military long haul aircraft are under different load and stresses than basically close air support in a firefighting role, especially when the fire is big and not an initial attack trying to paint a line around a smaller area, and all the weather that goes with the fire.

And I look at the C-130 stuff and I am going, do we have the initial records with this from the Coast Guard, or is it Groundhog's Day? And so, I have a concern about that with the FAA certification in terms of public use specified, and so I want to go over that more extensively offline. But, I mean, help me with is this not what we were doing in 2002 that that Blue Ribbon panel said you've got to quit doing this, you've got to instrument them, and you've got to maintain them for the role that firefighting represents, not takeoffs and landings hauling cargo, and stuff like that?

Mr. TIDWELL. Yeah. So FAA certifies it for the original purpose of aircraft, which was cargo from point A to point B. Our mission is different, and we have learned the hard way that it is additional stresses on aircraft, so we put together additional certification. A lot of it is just additional maintenance to be able to do the inspections on the wings to make sure we are not having any stress fractures or mental fatigue in those planes.

So the C-130s that are provided by the private contractors, they are able to meet those. All of our new aircraft are meeting these. Our aircraft are going to meet these qualifications. It just provides that additional assurance, and it is airworthy to go from point A to point B, but that is a very different mission from what we do.

Mr. AMODEI. Okay. So I will look forward to talking with you more about that later. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. Mr. Joyce.

Mr. JOYCE. Thank you, Mr. Chairman. Good morning, Chief.

Mr. TIDWELL. Good morning.

EMERALD ASH BORER

Mr. JOYCE. I have to tell you that one of the most stunning things to me being from Ohio when I got on this committee was the amount of money we spend on fire suppression. In Ohio obviously we have a different problem, and I noticed we were talking about flat funding and the Forest Health Management and Cooperative Lands account being flat funded. In Ohio, we have an aggressive problem with the emerald ash borer.

Mr. TIDWELL. Yes.

Mr. JOYCE. We have now found that the emerald ash borer is moving to other types of trees—

Mr. TIDWELL. Yes.

Mr. JOYCE [continuing]. Including in Ohio, they found it on the white fringe tree? I was wondering what, if anything, you plan to do with the flat budget to help local communities fight the emerald ash borer scourge.

Mr. TIDWELL. Well, we continue to work with APHIS—they are probably our key partner on this to be able to identify a solution. Right now with emerald ash borer, is about the only thing we are having some success, if we can get out in front of it and basically reduce the host trees, we can slow down the spread. That is very difficult when it is going through a community. People do not want to lose their ash trees, but the reality right now is you are going to lose them one way or another.

So this is an area that our scientists have been working on. We just have not been able to come up with a solution. We are having some success to be able to do spraying in certain areas if there are certain places to be able to make that investment. The insecticide that we are using seems to be having some good success, but it is a very expensive approach. So we need to continue our research.

It is just one of the realities. We had emerald ash borer around for quite a few years in this country, and then we stopped having cold winters, and all of a sudden they have spread all the way up into Canada now. It just indicates what we are up against, and I think we will be able to find a solution to it. And then the other thing we are working on is through genetics to be able to actually

develop a species of ash that can resist the emerald ash borer, too. So, that may also be helpful if we can come back in and replant ash. They are a fast-growing tree. But those are the things we continue to work on.

I would like to be able to have more funding, and I would like to be able to increase that, but I can say that about everything that we are doing. I understand the realities of where we are today with our budget concerns, and so we are doing our best to prioritize our requests.

Mr. JOYCE. Level funding, in some instances, is a victory.

Mr. TIDWELL. Yeah, well, it is. At times it is, right.

SPREADING OF INVASIVE SPECIES

Mr. JOYCE. Have you noticed it spreading to other trees as well, in your research?

Mr. TIDWELL. Yeah. Our scientists have, and I will be glad to get back with you and just provide you a full list of it. We are seeing with some of the other invasives, too, that we are predominantly on one species. They, too, adapt, and especially when they start losing their host tree. They are there, and especially if they are in the numbers. They start moving into different species. So we are seeing with a variety of species, it is one of the things the Canadians are very concerned about, especially if some of our invasives start moving into sugar maple. They are very concerned about the impact not only here in this country, but also to our neighbor to the north.

Those are the things we are up against, to be able to slow down these infestations, and then also to stay in front of it so that if in this case we come up with a fix with ash at the same time that borer has already moved on to a different species, then we are just in the chase, and we need to get out in front of it.

Mr. JOYCE. You hit on a good point with the sugar maples because that is a big industry in our area.

Mr. TIDWELL. It is, yeah.

URBAN AND COMMUNITY FORESTRY

Mr. JOYCE. The source of fires in our neighborhood is mostly fireplaces. Over the years it has been hardwoods, but it seems that ash is what everybody is burning now because it is going down at a tremendous speed.

In the Urban and Community Forestry Program budget proposal, there is a decrease of \$4.354 million. While I understand that cuts have to be made, can you explain to me what the importance of urban forests is to our growing urban populations and why that fund would take a 15 percent cut?

Mr. TIDWELL. Well, once again, there is not a reduction in our request. It is just to move that amount of money into this landscape scale restoration account that allows the State foresters to have more flexibility. What we found last year with the funds that were available in that account, about 30 percent of the funding was actually spent on urban community forests. So the State foresters are recognizing the need there, and so it gives them more flexibility.

So we have not reduced our request. We just moved some of the money into this other account. But based on what we saw last year,

it probably will actually increase the amount of funding that is going into urban and community forests. Eighty-three percent of Americans now live in an urban setting, and we have I think over 130 million acres of urban forests in this country. That is a huge asset if you think about the carbons being sequestered, the water that is being filtered, and the quality of life.

All our research shows you plant trees, your property value goes up, crime goes down, and you save energy. It is an incredible resource that we have, but we've got to stay on top of these invasives. Otherwise, it could become so expensive to maintain.

Mr. JOYCE. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. Ms. McCollum, any further questions?

GOOD NEIGHBOR AUTHORITY

Ms. MCCOLLUM. First, I would like to point out the funding that is in the budget for the Office of International Forestry Programs because doing the detection right helps us get ahead or stop invasive species from coming in. So that is very, very important.

Tying things together, I have to agree with Mr. Simpson. If you look at Minnesota, we are right on the cutting edge where the forests start building up again. The one thing that we have lost in the metropolitan area, and we are fighting very hard to keep, is public access for swimming, sailing, fishing and other recreation. So we are very protective of our public lands.

I would like you to talk more about this Good Neighbor Authority Master Agreement. You have one with Chippewa and Superior International Forest and the Minnesota Department of DNR. When you mentioned marijuana eradication, one of the things our National Guard was doing, before it was so heavily redeployed over and over again both in Iraq and Afghanistan, was to get some of the flying time in looking over the forests. They would work with the Minnesota DNR as well as our national forests on some of the things that were going on with marijuana eradication.

Can you talk about some of these State-to-State agreements that you have going on with the Forest Service and how effective that is in saving money and heading off tensions in the future?

Mr. TIDWELL. So the Good Neighbor Authority is something we have had for a couple of States for quite a few years, and then with the last Farm Bill it was expanded across the country. We now have, I think, 10 or 11 States where we have an agreement in place.

What it does is it allows us to be able to work with the State to be able to look at projects that maybe go beyond the National forest, or, in some cases, just on the National forest, and be able to use State resources to help us get more work done. Then the receipts that come off of that are then available for us to then do additional work.

It is one of the areas that I think when we talk about some of the tension between State management or for the Forest Service you manage the public lands. These are the sort of things that I want to spend our time on, because initially we are having good success to be able to increase the capacity, actually get more work done, and by working with our States. It is like everything, we are in a learning process. Not every project is going to probably work

out as well as we hope initially. But over time, I think it is going to be another way for us just to get some additional work done.

It is also helping, I think, to address this question about is there a better way for us to work together, and this is one of the authorities that I think is going to really prove out to be really helpful, and I want to be able to go beyond just forest restoration. I think there are a lot of things that we can be doing working together with the States under this authority besides just forest restoration. That is our primary goal right now.

MARIJUANA ERADICATION

As far as with the marijuana eradication, we use the Air National Guard units in a lot of places to be able to fly people in, and in the past have been able to clean up. In some States, a lot of their Guards have been deployed and do not have the capacity they used to have. This additional request allows us to be able to rely on a better partner so that we are not just always asking, but we can also be there as a partner and do these cleanup operations.

Ms. MCCOLLUM. Thank you.

DEPARTMENT OF DEFENSE: WILDLAND FIRE SUPPORT

Mr. CALVERT. Thank you. One quick thing. You mentioned technology, and our staff was out in California, and they witnessed that your employees are kind of jerry rigging their own technologies at some point. They are using their iPads, their iPhones. There is no real policy or guidelines that are set to utilize new technology more effectively.

We did use Predator for the Rim Fire. If you remember, we had a hell of a time getting permission to unleash that technology. I had to call the Secretary of Defense——

Mr. TIDWELL. Thank you.

Mr. CALVERT [continuing]. At that time was Chuck Hagel, and he was on the airplane, and tell him to please sign a memo that is floating around that airplane someplace to allow us to use the Predator on site.

Since then, have there been any conversations with the Department of Defense to have more efficient, effective coordination when the fire first starts. I have been told if you can get that resource above the fire immediately, it helps direct the other aircraft, find the hot spots, and maybe put out the fire faster. The other aircraft cannot see that through the smoke, and using advanced technology to interface with firefighters that are on the ground with their iPads and iPhones where they can immediately know where they need to be, and where to go.

Mr. TIDWELL. Mr. Chairman, it is one of the things we do need to sit down with the folks in Defense to be able to get something in place when we need that. Ideally we will be able to develop different unmanned flying aircraft that we can use. Predators are very expensive, and it goes way beyond anything we need there. Right now it is one of the tools.

So your point is well taken. I will ask the staff to be able to look at what we can have in place until we can get our program established because when the State requests it and it is being flown at the direction from the Governor, then we need people like yourself,

your support, and then we are able to do it. We need to be able to have that so that when there is a situation, it is just like here it is, it is available.

MILITARY AIRCRAFT

Mr. CALVERT. In San Diego when we had fires, we could not get the Marine Corps to use their helicopters and do spotting. I remember it took us 2 days to get permission to use the Marine Corps helicopters. And the Marines wanted to help, but they had to get a sign-off from here in Washington. Sometimes 2 days is a critical period of time where we could not use those spotters to bring in the air resources to put that fire out.

Mr. TIDWELL. We are doing a better job now to be able to quickly justify using the military aircraft so that we are not violating the Economy Act that requires us to use the contracted aircraft first. We have all those committed. We are learning how to be a little bit more nimble on that so that we can provide the insurance and we are not violating the Economy Act. There is an urgent need, and, yes, it may only be for a day, but we need it now. All of our other aircraft are committed in other places in the country.

So I think in the future we will be able to have those resources available much faster than what we have had in the past.

Mr. CALVERT. Good. Okay. Are there any other questions?

GRAZING FEE PROPOSAL

Mr. SIMPSON. If you do not mind, I would just like to ask one question if I could. Your grazing fee proposal, tell me about it.

Mr. TIDWELL. Well, it is a proposal to have an additional charge above the grazing fee of \$2.50 per head out there.

Mr. SIMPSON. What is the grazing fee? What is the AUM now?

Mr. TIDWELL. It was \$1.65 last year, and I think it is going up to, actually it goes up to the maximum of 25 percent. So somebody can do the math here.

Mr. SIMPSON. So this would be more than double?

Mr. TIDWELL. Yes. And the money would then be used for us to be able to address the backlog of administration and then also to be able to move forward on implementing the Rescission Act to get the Allotment Management Plan NEPA done. It is a proposal to find a way to be able to move forward to be able to assure that we are doing our job to make sure we can continue to graze, and at the same time to deal with the budget complications. I mean, ideally I wish we could be just asking for an increase in grazing. It is one of the issues that had been brought up with Mr. Stewart.

We have so few folks out there. Where we used to be able to sit down and have the discussions with permittees and county commissioners, and basically a lot of one-on-one discussions. We just do not have the folks there anymore. So, that is one of the things that is added to some of the complications that we are seeing.

So it is a proposal to be able to collect some additional fees. When I look at what most States charge, we still are going to be less than what States charge for grazing.

Mr. SIMPSON. Would this provide for full cost recovery for the administration of the program?

Mr. TIDWELL. I would have to get back to you on that.

Mr. SIMPSON. Thank you.

Mr. CALVERT. Thank you. Mr. Kilmer.

STEWARDSHIP CONTRACTING

Mr. KILMER. Thanks, Chairman. I have one question. You mentioned in your opening remarks the value of stewardship contracting in terms of taking revenue from timber sales and plowing it back into that forest. Unfortunately that doesn't work on other timber sales. It is my understanding that the Forest Service actually has authority that was expanded in 2005, the K-V authority, Knutson-Vandenberg authority, but the Service does not really use it. That does not make sense to me. Can you tell me why?

Mr. TIDWELL. We are using our authority under the K-V, Knutson-Vandenberg. We have been using that for years. The problem that we are running up against is today we have 50 percent fewer foresters than what we used to. We have these different authorities, but we need to have people that can first understand and be able to implement it.

We are getting to the point now where we have a lot of NEPA-ready projects. They are ready to go forward and to be able to restore forests. We do not have the staff to be able to get out on the ground because of the reductions that have occurred over the last decade. So it is one of the things through the Good Neighbor Authority that would allow us to be able to make full use of our authorities and be able to increase the capacity. But through our authorities under the K-V plan, it is one of the things that we do implement.

The difference, though, with our stewardship contracting, and we are doing about 30 percent of our forest management work now under stewardship, there is a great level of trust. I can get the same result on the ground whether I use a timber sale or a stewardship contract, and you would get the same result on the ground. I use the stewardship contract. There is a higher level of trust with folks that sometimes are concerned with what we are doing, and so it requires a collaborative effort.

The other key difference is that with the stewardship contract, we address all the needs of that landscape together at one time versus a timber sale, we would cut the trees, use K-V funds to come in there and do some restoration work. A stewardship contract provides that certainty, that guarantee that we are going to address all the needs on the landscape under one contract versus, yes, we will do the timber sale, and, trust us, we will get around to doing the work that you are really interested in.

So those are the two differences, and so we want to use all of our authorities, but that is the key benefit with the stewardship contract. We can do some of the same things under the K-V, but we just have not been able to build that level of trust that we need to be able to continue to move forward.

Mr. KILMER. Thanks. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. I know there are a number of other questions. We will submit them for the record. And I discussed before some groundwater issues that I would like to get on the record also. So any questions, please submit them and we will get them answered in a timely fashion by the chief.

Mr. CALVERT. I appreciate your being here today. Mr. Dixon, I appreciate your being here today. And we are adjourned.

Mr. TIDWELL. Thank you.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Budget Hearing: U.S. Forest Service
February 24, 2016

Questions for the Record – Chief of the Forest Service

Questions from Mr. Calvert

Calvert Q1: Please update the information provided in the FY 2016 QFRs related to the status of the Service's terrestrial condition framework.

Answer: The Terrestrial Condition Assessment (TCA) examines effects of multiple stressors on National Forest System lands, with an emphasis on identifying restoration opportunities at a national scale. This assessment is focused on landscape ecosystems, is data-driven, and is designed to be transparent and able to incorporate finer-scaled regional data. The first version of the TCA was completed during FY 2015, and we are reviewing data and refining the TCA during FY 2016 to better identify and communicate restoration opportunities across National Forest System lands.

Calvert Q2: Please update the information provided in the FY 2016 QFRs regarding the breakout of the amount of hazardous fuels funding spent inside and outside of the WUI, as well as inside and outside of areas identified in Community Wildfire Protection Plans.

Answer: The acres treated with Hazardous Fuels funds from 2010 to 2015 and the percent of treatment in areas adjacent to communities with Community Wildfire Protection Plans (CWPP) are listed below. The acres in wildland urban-interface (WUI) and non-WUI are for the Hazardous Fuels budget line items (BLI) funds only, and included funding that was part of the Integrated Resource Restoration (IRR) pilot program. These figures do not include funding from other BLIs (for example, Wildlife and Fisheries Habitat Management) that also contribute to hazardous fuels reduction goals. The CWPP figures are the percentage of all acres treated that result in hazardous fuels reduction outcomes.

	2010	2011	2012	2013	2014	2015
WUI (acres)	1,154,127	805,149	1,032,987	1,006,849	1,124,583	909,735
Non-WUI (acres)	765,128	370,180	317,200	305,789	277,558	292,228
CWPP	45%	61%	93%	85%	77%	83%

Calvert Q3: How many acres of NFS lands did the Forest Service treat in FY 2015? Please break this down by:

A. Acres mechanically treated.

Answer: A total of 696,000 acres were mechanically treated.

B. Acres mechanically treated using commercial timber harvest.

Answer: A total of 204,420 acres were treated using commercial timber harvest.

C. Acres treated with prescribed fire (please describe the number of acres treated with prescribed fire that were wildfires burning within prescription, fires being allowed to burn to achieve resource objectives, or acres burned in back fires as part of suppression efforts).

Answer: A total of 1,131,388 acres were treated with prescribed fire; additionally, 436,090 acres were “treated” by wildfire (note: these are acres burned by a natural-ignition wildfire that were later reviewed and compared to Land Management Plan (LMP) desired conditions to determine if the outcome furthered the goals of the specific LMP). We do not track the number of acres burned in back fires as part of suppression efforts because it is very difficult in most instances to determine where the backfire and head fire meet, thus it would be a subjective measure. These acres are included in the acres reported as the final acres burned for each fire.

D. Acres treated using other tools besides prescribed fire and mechanical thinning.

Answer: Approximately 337,000 acres were treated with other tools besides prescribed fire and mechanical thinning.

Calvert Q4: Please provide a list of the forest product output categories and the amount of each for FY 2015. Include target and actual data.

Answer: The tables below show FY 2015 accomplishments for convertible and non-convertible forest products. Targets are only assigned for total volume of convertible products sold. The unit of measure for all convertible products is shown in thousand board feet. The unit of measure for non-convertible products varies and they are reported below in dollar value sold. Some products have been grouped for simplicity.

Convertible Forest Products¹		
<i>Thousand Board Feet</i>		
Product	Volume Target	Volume Sold
Sawtimber	N/A	1,759,201
Pulpwood	N/A	488,721
Fuelwood	N/A	281,732
Biomass	N/A	106,221
Other Products	N/A	237,234

¹ The category of “Convertible Forest Products” includes all wood products that can be converted to board feet.

All Convertible Products	2,900,000	2,873,109
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Non-Convertible Forest Products²		
Product	Target	Sold Value (\$)
Christmas trees	N/A	1,092,632
Limbs / Boughs	N/A	379,701
Mushrooms	N/A	444,959
Foliage	N/A	291,998
Grass	N/A	215,054
Other Products	N/A	275,163
All Non-Convertible Products	N/A	2,699,507

Calvert Q5: Please provide a breakout of funding allocated to each of the activities conducted by the International Forestry program. Include staff time allocated to each.

Answer: International Forestry's funding and staff allocations are described in the table below.

Activity	FY 2016 Budget Allocation	FY 2016 Staff Allocation (FTEs)
Illegal Logging	\$5,150,000	18
Migratory Species	\$1,500,000	6
Invasive Species	\$ 350,000	2
Policy	\$1,000,000	4
Total	\$8,000,000	30

Calvert Q6: Please update the information provided in the FY 2016 QFRs related to data centers. How many data centers has the agency consolidated over the past four fiscal years? What is the savings associated with the consolidation?

Answer: Since 2012, the Forest Service completed the shutdown of the Oregon and Washington Office data centers as part of the Forest Service data center consolidation. The closure of these two data centers enables the Forest Service to avoid spending over \$500,000 annually in hardware maintenance and facility support costs.

Calvert Q7: How many additional data centers will be consolidated in FY 2017 and future fiscal years and what are the anticipated savings associated with these actions?

Answer: The Forest Service is building a shared service Virtual Data Center within the USDA's National Information Technology Center. This will not result in any closures in FY 2017, but positions the agency to close the Albuquerque Data Center by late 2018. Closing the

² The category of "Non-Convertible Forest Products" includes all wood products that cannot be converted to board feet but, instead, are tracked by the total value of the sold product.

Albuquerque Data Center will not result in any additional savings that have not already been realized by the Forest Service.

Calvert Q8: How much did the Service spend on fire retardant in FY 2015 and FY 2016 (estimated)?

Answer: In FY 2015, the agency spent \$32 million on fire retardant. An estimate for FY 2016 is \$30 million, assuming national fire activity is average to above average.

Calvert Q9: Forest Service fire crews are still using paper maps. Many Forest Service cooperators, such as CalFire, have mobile data computers that are linked to their dispatch centers which enable them to receive up-to-date radio frequencies, incident locations and maps. Please explain why Forest Service crews do not have this capability. Has the Service conducted an assessment of the cost of providing it?

Answer: The Forest Service operates in many remote areas nationwide which makes our ability to support fire operations with wireless technologies challenging since many of those areas lack robust wireless networks. Even with this challenge, the Forest Service has several options for firefighters to use mobile geospatial technologies and we are continuing to research new technologies and capabilities to enhance situational awareness. Additionally, any solution must support interagency and state and local cooperators that are working in the same environment.

The Forest Service continues to search for innovative and effective methods to maintaining situational awareness through digital solutions, but to date has not completed a comprehensive analysis.

Calvert Q10: When Forest Service firefighters are assigned to a wild land fire incident they are not compensated for the time they spend in the fire camp even though they are required to stay in it. Typically, they must be ready to respond in the middle of the night, but they are not paid for their time. Reportedly, almost every other cooperating fire fighter in California is paid the entire time he or she is assigned to an incident. Please explain Forest Service policy and practice regarding compensation for fire crews.

Answer: Those employees who are off-shift are expected to rest, eat, bathe, and be prepared to go back to work when their shift is scheduled to begin. There is no expectation for employees to work who are in off-shift status; they are in non-pay status. The employees are not restricted to the fire camp and may leave or stay as long as they are ready to begin their work shift at the appointed time.

However, if the situation grew worse on the fire line and more people might be required, employees are put on standby status which does require them to have their packs and equipment ready to go at any time. During the time they are in standby status, employees are compensated.

The Forest Service and the Department of the Interior compensate employees when assigned to an emergency incident: (1) for all hours of work; (2) for all hours of travel from and return to home unit; and (3) for all hours of ordered standby duty.

Calvert Q11: The FY 2017 request includes an increase over the robust funding level provided for land acquisition in the FY 2016 omnibus appropriations package. This funding level specifically was noted to be a “one-time increase” for worthy projects that had local and State support. In addition, the Committee directed that the Service adopt a more transparent project selection process and provide a list of projects supported by the local communities affected by such investments. What changes have been made to the project selection process to address the Committee’s concerns?

Answer: The Forest Service currently includes local support among the criteria for project evaluation; specifically, criterion #4: Planning, Public and Partner Support. This criterion evaluates a project based on the degree and coordination of support for an acquisition, including the inclusion of this acquisition in local or regional planning efforts. Support can come from Members of Congress, State and local government, Tribes, NGOs, hunting and fishing interests, business interests, and local community groups. Support can also be financial. Planning means the acquisition supports the Forest Management Plan and/or other Federal, State, Tribal, and local land use planning, recreation, management, or habitat improvement plans.

The Forest Service will continue to emphasize that acquisitions need local support in the forms mentioned above.

Calvert Q12: Last September, USDA’s Inspector General issued a report critical of the Service’s stewardship contracting process. Among other things, the Inspector General found that the Service did not always comply with federal procurement regulations, it has not codified or implemented regulations for the process, and that it did not document ethical determinations concerning stewardship projects. According to the report, the Service agreed with the Inspector General’s findings and pledged to rectify them. Have the process controls and other changes recommended by the Inspector General been put in place? What is the status of the implementation of them?

Answer: The Forest Service is working to resolve the six findings reported by the Inspector General. The agency published regulations on January 22, 2016, implementing stewardship contracting authority as subpart I of 36 CFR 223—Sale and Disposal of National Forest System Timber, Special Forest Products, and Forest Botanical Products. The revised procurement policy should be published on the agency’s website soon. Revisions to the stewardship policy, the contract documents and templates, and reporting instructions are expected to be completed by May 31, 2016. The first training is tentatively scheduled for May 17-19, 2016. The completion of these tasks will satisfy the management decisions for the Inspector General’s report.

Questions from Mr. Stewart

Grazing

As you know, much of the West has experienced drought conditions. This has resulted in decreased AUMs.

Stewart Q1: Given that snowpack levels in many areas in Utah are over 100%, will grazing AUMs be increased? Why or why not?

Answer: Increased snow pack has a positive effect on forage production. Local officials use the amount of snow pack as one means to help determine the amount of forage that might be available for the coming year's grazing. Forage availability for the upcoming season has to be determined on an allotment by allotment basis. A visit to an allotment by the permittee and a range specialist is helpful to determine forage availability.

Stewart Q2: Does the Forest Service support common grazing allotment?

Answer: Yes. Where uses are compatible we support common allotments.

Stewart Q3: Is the Forest Service aware that the historical conversion rate for cattle and sheep is 1 to 5?

Answer: Yes.

Stewart Q4: Does the Forest Service support this rate?

Answer: Yes. The Forest Service uses that ratio for forage consumption estimations and for fee calculations.

Data Quality Act

Stewart Q5: I mentioned in the hearing that I am concerned that the Forest Service is relying on data from NGOs for allotments and that the Forest Service is relying on this data to make adverse decisions. Does the Forest Service have a method to ensure this data conforms with the Data Quality Act?

Answer: The Forest Service is open to accepting data and information from any source. However, any data that the Forest Service receives and uses for decision making purposes, no matter the source, must be consistent with our protocols and data standards. If there is a question of conformity, we review the data and the collection methods to make sure that it conforms to the Data Quality Act.

Stewart Q6: Is the Forest Service violating the data quality act when relying on this data?

Answer: No. The Forest Service uses data consistent with our standards.

Questions from Mr. Amodei**Airtankers**

In 2002 in response to fatal crashes caused by aircraft structural failures during firefighting, a Blue Ribbon Panel reported to the USDA and the BLM on the safety and effectiveness of the federal aerial firefighting program. The panel determined that the current FAA “public use” certification was not adequate to ensure the safety of the planes being used in firefighting. Public use aircraft are “generally exempt from FAA regulations.” Essentially, this standard does not determine whether or not an aircraft is airworthy.

In response to this report, the Forest Service (USFS) began requiring its contracted aircraft to be compliant with FAA airworthy standards as defined by 14 CFR. 14 CFR has 68 regulations regarding inspection, maintenance and safety to designate an aircraft as “airworthy.” This process is costly for private aircraft contractors and resulted in the pool of air tanker contractors being greatly reduced for the USFS particularly as the aircraft fleet aged.

The USFS in 2012 released a modernization plan that included their intent to purchase Lockheed Martin C-130J planes which were retired from military use. They also began requiring contractors to utilize next-generation large air tankers which would be newer and more agile and easier to comply with the FAA “airworthy” standards. At the time, the USFS was concerned about only having two contractors with the appropriate equipment to work with. Since then, the USFS has increased its contractor pool, has obtained the C-130s for Modular Airborne Firefighting System (MAFFS) purposes and acquired HC-130H planes from the Coast Guard.

The HC-130H aircraft will be USFS owned but contractor operated. However, it is my understanding they will be designated as “public use” and will not be compliant to FAA standards. The USFS has previously stated that the military standards for maintaining aircraft are adhered to and the Coast Guard (USCG) retains engineering authority. However, the 2002 Blue Ribbon Panel identified this practice as a core failing in safety and longevity in air tankers. One of the key concerns in the blue ribbon panel was the lack of access to the original manufacturer’s technical data when restricted (military) aircraft is converted to use as an air tanker. Lacking the original manufacturing data hampers the ability for an operator to know what should be inspected and at what intervals. It also complicates maintenance and structural repair programs that are needed to keep firefighting aircraft safe and operational.

Amodei Q1: What has changed in the USFS or USCG core competencies or policies since the 2002 blue ribbon study that negates its concerns on “public use” designations for former military aircraft used as air-tankers?

Answer: The findings from the Blue Ribbon Panel (BRP) were preempted by the National Transportation Safety Board (NTSB) Recommendations of 2004 (A-04-29 through 31) which resulted from three (3) large airtanker accidents. The NTSB has closed all of these recommendations because of the effort made by the Forest Service (FS) to ensure appropriate airworthiness standards are codified in our policy. This included formulating of the FS Airworthiness Assurance Guide, and creating partnerships with the FAA in Operational Loads

Monitoring and with the USCG for the airworthiness and engineering support of the HC-130H aircraft. The USCG has operated the C-130 aircraft for over 50 years and is recognized as the worldwide leader in maritime special missions. This is coupled with our longstanding partnership with the U.S. Air Force and their over 40 year history of operating the C-130 aircraft in the airtanker mission and engaging the C-130 manufacturer to provide mission analysis and sustaining engineering.

All of our flight operations with large airtankers, both contracted and government owned, are public operations which are in accordance with the US laws on public aircraft. The BRP did specifically endorse a government owned / contractor operated business model in regard to federal airtankers: "Potential contracting alternatives that might be explored include: A government-owned/contractor-operated fleet of air tankers. The California Department of Forestry and Fire Protection uses such a system successfully, which might also be applicable to federal aerial firefighting."

Amodei Q2: Will the operators and maintenance contractors of the HC-130H aircraft have access to the original manufacturing data?

Answer: Yes. Lockheed Martin, the original equipment manufacturer of the HC-130H, has been contracted through the U.S. Coast Guard to provide original manufacturing data in support of the transferred aircraft used in the airtanker mission.

Amodei Q3: How will you ensure the safety and operational longevity of the government owned fleet with-out FAA oversight?

Answer: We will ensure the safety and operational longevity of the government owned fleet by continuing the partnership with the U.S. Coast Guard, U.S. Air Force, and the aircraft's original equipment manufacturer, Lockheed Martin. We will also adhere to all U.S. Coast Guard, U.S. Air Force, and original equipment manufacturer requirements for the HC-130H aircraft flown in the airtanker role. The U.S. Air Force has been operating the C-130 aircraft in the Modular Airborne Firefighting Systems (MAFFS) mission for over 40 years very successfully. We are confident that the U.S. Coast Guard and U.S. Air Force, who are the worldwide leaders in C-130 operations and airworthiness, are able to assist the USFS in assuring the safety and operational longevity of these aircraft.

Wildfire Suppression and State Stewardship

According to the National Interagency Fire Center, 80% of wildfires occur on non-federal lands. Over one-fourth of the acreage burned is on non-federal lands. Much of that acreage and many of those fires overlap with federal lands. A core element of the State Fire Assistance program provides critical resources for state and local fire departments to address wildfire suppression with funding for equipment and fire fighter training. When these departments respond outside of their jurisdiction, 85% of the time they are responding to federal fires. Initial attack capability is the key to keeping wildfire impacts to a minimum and state and private resources are critical to that effort.

Two-thirds of the nation's forests are state and private forests covering approximately 500 million acres. The Stewardship Program provides assistance through our State Foresters to hundreds of thousands of individual families in helping them develop plans for managing their forests. Ninety percent of those plans are successfully implemented. Those plans when implemented often reduce the risk of catastrophic wildfire and insect and disease epidemics from spreading on to public lands, protecting public forests and watersheds. As a by-product of those plans, forests owned by individual families provide almost 50% of the nation's wood supply and employment opportunities for over a million Americans across the nation.

Amodei Q4: The Administration has proposed significant increases in suppression funding this year and in years past. Why has the administration proposed flat budgets in the State Fire Assistance program area while proposing large increase in agency's suppression funding?

Answer: The Forest Service has worked to appropriately allocate firefighting resources and improve risk management strategies to use those resources safely and efficiently. Over the last few decades, wildland fire suppression costs have increased as fire seasons have grown longer and the frequency, size, and severity of wildland fires has increased; therefore, more and more of the agency's resources are spent each year to provide the firefighters, aircraft, and other assets necessary to protect lives, property, and natural resources from catastrophic wildfires. Thus, fewer and fewer funds and resources are available to support other agency work—including the very programs and restoration projects that reduce the fire threat including State Fire Assistance.

Amodei Q5: Can you provide us with a breakdown of the amount of overhead used by the agency and how much the states receive?

Answer: For 2016, \$78 million was appropriated for the State Fire Assistance program. Of that amount, \$1,981,000 was held back for cost pools and facilities, and \$4,802,000 was used for direct costs by the Forest Service. The net available amount was \$71,217,000, of which \$58,399,291 was allocated to the states, and \$12,817,709 was allocated to national and regional priority projects on behalf of the states, and in consultation with the National Association of State Foresters.

Amodei Q6: How can we ensure that State Fire Assistance and Volunteer Fire Assistance grant funds support State and Local fire agencies?

Answer: State Fire Assistance (SFA) funding is distributed to the State Foresters to assist them in improving wildfire response, creating fire adapted communities, and restoring and maintaining landscapes. Some of the funding is used to support national and regional priority projects on behalf of the states, and some is needed to cover agency administrative costs, facilities and direct costs. Overall, 75% is allocated to State Foresters, and an additional 16% is allocated the highest priority needs that have been identified by state and local fire agencies. The remaining 9% funds agency overhead and direct costs

Amodei Q7: How can these programs be implemented in a way that ensures financial obstacles do not impede tangible actions?

Answer: State Fire Assistance and Volunteer Fire Assistance programs are passed to the State Foresters. The states are in the best position to identify all the obstacles to tangible actions, including financial obstacles. The states can identify the highest priorities that should be addressed within their states through the State Fire Assistance and Volunteer Fire Assistance programs, and structure their SFA and VFA grant funding accordingly.

Unmanned Vehicle Fire Suppression

The FY 2016 consolidated appropriations act included report language funding that asked the USFS to study the efficacy of drones for the purposes of suppressing wildland fire.

Amodei Q8: How does the USFS intend to study drone firefighting uses?

Answer: The USFS participated in testing and evaluation of unmanned aircraft systems (UAS) in a firefighting mission in 2015 with our interagency partners at the Department of Interior. The USFS expects to continue collaborative testing and evaluating UAS in wildland firefighting in 2016.

Questions from Mr. Jenkins**Landscape Scale Restoration Funding**

The President is proposing a significant increase in Landscape Scale Restoration funding (LSR,) a competitive program focused on national priority work identified in the State Forest Action Plans. While this program funds important work, there are states which cannot effectively compete because their base level programs are either inadequate or no longer exists.

Jenkins Q1: Could you speak to the potential benefit of using part of the LSR allocation to non-competitively fund the highest priorities identified in each state's forest action plan?

Answer: Landscape Scale Restoration (LSR) is a competitive grant program implemented in FY 2014. The projects funded by this program (and projects funded previously under the State and Private Forestry "Redesign" efforts) have successfully demonstrated effective use of Forest Service funds to strategically address priorities identified in States' Forest Action Plans while also meeting national needs. The Forest Service recognizes that providing flexibility to combine a percentage of the appropriations among programs authorized in the Cooperative Forestry Assistance Act could be a beneficial option to address state-specific priorities and needs consistent with the State Assessments and Strategies and we continue to engage in discussions with the State Foresters about the benefits.

Questions from Ms. McCollum**Recreation**

In 2013, the GAO released a report documenting a significant backlog in maintenance on recreation trails in the National Forest System. This lack of maintenance is causing environmental damage to forest resources and is limiting recreational access, which negatively affects local economies.

McCollum Q1: What is the agency doing to address this backlog and improve trail maintenance?

Answer: The Forest Service is developing a National Strategy for a Sustainable Trails System, scheduled to be released this spring, which will improve and advance the Trails program over the next decade. One of the primary goals of the Strategy is to increase internal efficiencies and the agency's capacity to work with partners and others to leverage and stretch available resources to better address National Forest System trails maintenance needs. Enhancing our relationships with partners is critical to maintaining our network of trails.

In addition to increasing our capacity to work with trail partners, we have requested an additional \$1 million for Trails through the FY 2017 President's Budget. These additional funds will be used to leverage efforts and work with partners and volunteers to address specific trail maintenance projects identified by the Forest Service.

McCollum Q2: Will the President's Budget help make National Forest trails more accessible for recreation?

Answer: Yes. The FY 2017 President's Budget will provide more resources to address trail maintenance needs and increase public access to our National Forest System trails. To stretch and leverage available resources, we continue to work with a variety of partners and volunteers to maintain and improve trails that provide improved recreation access via Forest Service trails.

Many of the acquisitions made through the Land and Water Conservation Fund have the co-benefit of improving access to recreational opportunities on public lands. A total of \$506 million of the Administration's LWCF request will support conservation, access, and recreational opportunities—from hunting and fishing to canoeing and bird watching—on federal lands. Agencies work with willing landowners to secure rights-of-way, easements, and fee simple land that provide public access, or consolidate public ownership so that America's have accessible places to hike, hunt and fish. More than 90 percent of line-item land acquisition funding supports project that will provide public access. In addition, the Forest Service requested \$4.7 million in discretionary funding and \$4.0 in mandatory funding to acquire parcels that provide access to national forest lands where access is not currently available, chronically difficult to access or impeded.

Additionally, the Forest Service is committed to the integration of accessibility into trails as they are constructed, in accordance with the 2013 Architectural Barriers Act Accessibility Standards

(ABAAS) trail accessibility requirement on all trails that meet the ABAAS criteria. Appropriate application of these accessibility standards, as a trail is being constructed, commonly results in quality hiking experiences for people of all ages and abilities.

McCollum Q3: What role do volunteers, especially young people in our nation's Conservation Corps, and partners play in USFS's maintenance and stewardship of National Forests and their resources?

Answer: A little over 100,000 volunteers and service participants contributed 4.3 million hours of work in 2015 which are collectively valued at \$100,430,352 according to the Independent sector valuation of the volunteer hour. Approximately 25% of all work accomplished on the National Forest System was focused on trails maintenance and construction. Much of that work is accomplished by our Youth Conservation Corps program and conservation crew partnerships with non-profit organizations, which are part of the 21st Century Conservation Service Corps initiative. Overall, 20% of all volunteers and service participants are youth and young adults under the age of 25. In general, recreation management activities comprise 71% of the hours invested by volunteers and service participants. Youth are also highly engaged in developed and dispersed resource maintenance and improvement; and reforestation, rehabilitation, restoration and monitoring projects.

Watershed Health

In 2010, the Forest Service assessed the condition of all 15,065 sub-watersheds across the National Forest System through the Watershed Condition Framework. The assessment found that roads and trails are negatively affecting nearly 67% of watersheds on national forest lands. After the assessment was complete, the agency developed watershed restoration action plans for 284 priority sub-watersheds, which is less than 2% of its watersheds. Each of these action plans includes a list of key restoration projects that, once completed, are expected to restore the condition of the watershed.

McCollum Q4: How is the agency progressing on protecting this valuable resource now? What percentage of the restoration projects outlined for the 284 priority sub-watersheds has been completed?

Answer: Working closely with affected communities, the agency accomplished over 2.54 million acres of hazardous fuels reduction to reduce the risk of catastrophic wildfires, which have negative effects on water supplies. In some key drinking water supply areas in Colorado, Arizona, New Mexico, California, Washington and Oregon, we are actively engaged in public/private partnerships specifically formed for the protection of municipal water through hazardous fuels reduction. Another means to accomplish our agency objective of providing abundant clean water includes the implementation of the Forest Service's National Best Management Practices (BMP) program and the use of water quality BMPs to protect and maintain water resources on NFS lands. BMPs are practices or actions that reduce or control sediment impacts to water associated with ground disturbing activities. The Forest Service is making progress towards watershed restoration and the continued protection of water. To date, the watershed restoration action plans for 53 priority sub-watersheds (19% of the planned

priorities) have been completed. Another 42 sub-watersheds (15%) are planned for completion in 2016 and 2017.

McCollum Q5: What is needed moving into the future to support a continued focus on the importance of water quality within the agency?

Answer: The FY 2017 President's Budget includes a funding strategy that considers catastrophic wildland fires as disasters, which will allow us to stabilize funding and invest more in watershed and ecological restoration programs, treat landscapes for the increasing effects of climate change and protect communities and water supplies from future wildfires.

Questions from Ms. Pingree**Tree Farm System**

This year is the 75th Anniversary of the American Tree Farm System, the oldest and largest sustainable woodlands program in the U.S. The American Tree Farm System® is a network of 82,000 certified Tree Farmers sustainably managing 24 million acres of certified forestland.

These landowners play an important role in helping stem the loss of America's woodlands. And many of us know their green and white diamond-shaped Tree Farm signs.

In Maine, there are over 2,000 Tree Farmers who are committed to good stewardship on more than 1 million acres--almost 10% of Maine's forested lands.

The Forest Stewardship program at the Forest Service works with the Tree Farm Program to reach and engage woodland owners in forest stewardship.

The Forest Stewardship line at Forest Service FY 2017 budget gets a 3% cut and Landscape Scale restoration gets a 68% increase. It is unclear if the work that the tree farm program does will be supported by this new robust line at Landscape Scale Restoration which is a new program.

Pingree Q1: How do you think the cuts that are proposed to the Forest Stewardship Program will impact these landowners who are voluntarily practicing good stewardship?

Answer: The reduction in the Forest Stewardship Program proposed in the President's budget is just one example of many of how the Forest Service is managing the high cost of wildland fire given a flat budget request. Programs throughout the agency have taken slight to moderate reductions in the President's budget to compensate for increasing wildland fire costs. Although states like Maine may have fewer financial resources to provide technical assistance and education in FY 2017, land owners currently practicing good stewardship will be able to continue implementing best management practices and reaping the benefits from those forests.

Pingree Q2: How could the increased funding you propose in the Landscape Scale Restoration program help these woodland owners and ensure we can conserve the habitat and other benefits from their woods?

Answer: The Landscape Scale Restoration program focuses resources to better shape and influence forest land use on a scale, and in a way, that optimizes public benefits from trees and forests for current and future generations. This program funds competitive projects that focus on all-lands and result in a targeted, positive impact in high-priority areas by leveraging State capacity with strategic Federal investments. All States and Territories have crafted assessments of the forests within their boundaries and developed strategies to address threats and improve forest health.

Some of the ways the Landscape Scale Restoration program can help woodland owners conserve the habitat and benefits from their woods are through grants to expand access to forest certification, forest stewardship planning at multiple scales, insect and disease detection and monitoring, and wildlife habitat enhancement. Examples of how this has been effective in Maine are numerous. Funds in prior years were used to certify forestlands owned by participants in the Maine Forest Service's Forest Stewardship Program to the American Tree Farm System standard. The American Tree Farm System (ATFS) certification program is internationally endorsed by the Program for Endorsement of Forest Certification (PEFC). This led to a significant increase in the amount of American Tree Farm System certified family forests in Maine.

In addition, projects include the Kennebec Woodlands Partnership, a collaboration of fourteen state and local partners committed to the long-term stewardship of forests and watersheds that support their local economy, recreation, wildlife habitat, water quality, and quality of life. Project funds were used to develop a county landscape scale conservation/stewardship plan and assist family forest landowners in creating Forest Stewardship Plans for their property.

Questions from Mr. Kilmer**Knutson-Vandenburg (K-V) Authority**

The K-V Act of June 9, 1930 was the original tool created to do what is now often called “restoration” by utilizing revenue generated from the sale of timber on our national forests. In 2005, through the FY 2006 Interior Appropriations Bill (PL 109-54), Congress amended the K-V Act to allow the Forest Service to utilize receipts generated from the sale of timber to pay for “watershed restoration, wildlife habitat improvement, control of insects, disease and noxious weeds, community protection activities, and the maintenance of forest roads, within the Forest Service region in which the timber sale occurred.” The 2006 authority (PL 109-54) to utilize K-V trust fund collections for projects outside of the sale area boundary gave the Forest Service the means to expand and expedite its restoration efforts in connection with forest management projects utilizing traditional timber sale contracts.

Kilmer Q1: For each region, how much of the revenue generated from timber sales in 2014 and 2015 was available to carry out work under the K-V Act?

Answer:

Region	Fiscal Year 2014 Cash Balance (\$)	Fiscal Year 2015 Cash Balance (\$)
R-1, Northern	2,166,567	3,851,997
R-2, Rocky Mountain	1,802,606	2,503,572
R-3, Southwestern	89,356	204,325
R-4, Intermountain	230,997	102,290
R-5, Pacific Southwest	2,733,633	1,620,576
R-6, Pacific Northwest	7,779,050	9,033,896
R-8, Southeastern	6,136,144	12,963,829
R-9, Eastern	5,250,428	7,795,624
R-10, Alaska	1677	0

Kilmer Q2: How much of this revenue was actually collected and used to fund K-V projects?

Answer: During FY 2014 and FY 2015, \$23,683,398 and \$21,416,473, respectively, was used to fund Knutson-Vandenberg projects within the sale area boundary.

Kilmer Q3: How much of the revenue collected was used to fund K-V projects outside the sale area boundary as authorized by PL 109-54?

Answer: In FY 2014 and FY 2015, \$14.1 million and \$33.1 million, respectively, was used to fund Regional Projects (CWK2) outside the sale area but within the region the money was collected as authorized by P.L. 109-54.

Kilmer Q4: How can the USFS better utilize the K-V authority, as amended by PL 109-54, to accomplish collaborative forest restoration projects like the ones being developed by the Olympic Peninsula Forest Collaborative in my district?

Answer: The Olympic Peninsula Forest Collaborative is exploring different ways to assist the Olympic National Forest with forest restoration projects to increase timber volume and increase or sustain timber-related jobs on the peninsula. They assisted with sale layout activities on one sale that allowed it to be sold earlier than it otherwise would have been. The collaborative is also working with the Forest to complete a National Environmental Policy Act (NEPA) document for additional restoration treatments. Sale layout and NEPA planning activities are not directly tied to the Knutson-Vandenberg (K-V) Act. K-V funds are generated from the sale of timber that is in excess of the appraised value. K-V funds may correspondingly be available to help continue implementing restoration work that may still need to occur after the sale and removal of timber is completed.

Questions from Mr. Israel**Every Kid in a Park Initiative**

As part of a broad effort to help connect youth with the outdoors, the White House launched the Every Kid in a Park initiative last year to provide every 4th grader – and their families – with free admission to our public lands and waters, including those managed by the Forest Service.

Israel Q1: What is the Forest Service doing in connection with this initiative?

Answer: In FY 2016, the Forest Service has committed \$2.23 million to support fourth grade engagement outdoors. This includes \$2 million to support direct programming for Every Kid in a Park (Every Kid) and a related “More Kids in the Woods” initiative and \$230,000 to support an Every Kid partnership with Scholastic. We were also awarded approximately \$170,000 in transportation grants from the National Park Foundation for more than 40 projects that will support meaningful outdoor experiences for nearly 21,000 fourth graders.

Forest Service leadership is committed to reaching 50,000 fourth graders this fiscal year - through a nationwide team, strategic partnerships, and hands-on outreach - and we’ve already engaged approximately 20,000 fourth graders since the September launch. We are amplifying the “Every Kid” message through Forest Service social media campaigns, FS Scholastic funding, and our Christmas tree initiative, which garnered tremendous press for Every Kid in a Park, and our field staff are planning and implementing multiple events and projects that will be carried out throughout the rest of the year.

Israel Q2: How is the agency working to ensure its current and future success?

Answer: The Forest Service is a leader in the movement to encourage kids playing outdoors, with decades of experience in youth engagement and conservation education. We are galvanizing that effort through the President’s “Every Kid in a Park” Initiative as our marquee youth program for FY 2016. Using the Forest Service Chief’s Integrated Youth Strategy as a guide, we will work with like-minded organizations, communities, leaders and influencers to reverse the trends and connect kids with nature.

Forest Service programs reach an estimated 4,000,000 youth each year with an investment of approximately \$28 million. These include 21st Century Conservation Service Corps, Youth Conservation Corps, Job Corps, Discover the Forest, NatureWatch, Project Learning Tree, and Green Schools, among others. We are currently exploring options and resources to continue supporting Every Kid in the future. In parallel, DOI is leading discussions on continuing and building on Every Kid in a Park in the years ahead.

Climate Change

Forests and grasslands are an important piece in the puzzle of how we mitigate greenhouse gas pollution. The Forest Service has put an emphasis on your role in fighting climate change, something I’m very appreciative of.

Israel Q3: Can you talk about the kind of work the Forest Service is doing to address climate change, both on the resiliency side and well as the more proactive fight against climate change?

Answer: We are working to incorporate climate change into all of our programs; however, there are some overarching efforts worth individually noting. First, the Forest Inventory and Analysis (FIA) program inventories all forest carbon pools and Forest Service researchers use this information to predict carbon stocks and stock changes over time to produce the carbon accounting framework. This effort was undertaken in response to calls for improved terrestrial carbon accounting in the United States stemming from the Agricultural Act of 2014, also known as the 2014 Farm Bill (Agricultural Act 2014), and the President's 2013 Climate Action Plan (U.S. Executive Office of President 2013). Next, the implementation of the 2012 planning rule helps national forests and grasslands address climate change through land management. The 2012 planning rule is based on a planning framework that will facilitate adaptation to changing conditions and improvement in management based on new information and monitoring. There are specific requirements for addressing climate change in each phase of the planning framework, including in the assessment and monitoring phases, and in developing, revising, or amending plans. The 2012 planning rule emphasizes restoring the function, structure, composition, and connectivity of ecosystems and watersheds to adapt to the effects of a changing climate and other ecosystem drivers and stressors, such as fire and insect and disease infestations. A baseline assessment of carbon stocks required in the assessment phase and monitoring will check for measureable changes in the plan area related to climate change and other stressors. Last, USDA is implementing 10 building blocks for climate smart agriculture and forestry. The building blocks span a range of technologies and practices to reduce greenhouse gas emissions, increase carbon storage, and generate clean renewable energy. The Forest Service is involved in early actions which support USDA's approach; one effort is with the American Forest Foundation to expand work in the West engaging woodland owners in wildfire mitigation which helps reduce carbon emissions from catastrophic wildfires and also helps, over the long-term, increase the carbon storage of these forests.

In addition to on-the-ground work, our scientists conduct research in areas ranging from wildfire in future climates, to innovative uses of wood products, to measuring carbon capture and storage, to helping wildlife and plants adapt as conditions change. To share this information, we established USDA Climate Hubs to connect land managers and decision makers to science they can use to address climate change.

Endangered Species Cooperation

There are a number of species that have been listed under the Endangered Species Act, or may be feeling pressure and may eventually be listed, that live in lands maintained by the Forest Service.

Israel Q4: Can you talk about the kinds of cooperative efforts the Forest Service and other agencies like the Fish and Wildlife Service are undertaking to make sure we're getting the most out of these forests without further disturbing these species?

Answer: The Forest Service is involved in a variety of activities conducted with partners, including inventory and monitoring, habitat assessments, habitat improvements through

vegetation treatments and structure installation, species reintroductions, development of conservation strategies, research, and conservation education. In order to prevent species from being listed, the Forest Service often enters into conservation agreements with the U.S. Fish and Wildlife Service (FWS). These agreements are usually between the Forest which has the species on its unit and one of the local FWS field offices. The commitment made by the Forest Service to conserve the species by implementing conservation actions can help to reduce the need for ESA-listings. In the past year alone collaborative conservation by the USFS, FWS, and sometimes other partners, through formally recognized conservation agreements, precluded the need to list three species: the Columbia spotted frog, Ramshaw Meadows sand-verbena, and Siskiyou mariposa lily. Also, conservation efforts led by the Natural Resources Conservation Service in coordination with the Forest Service, precluded the listing of the sage grouse under the Endangered Species Act.

THURSDAY, FEBRUARY 25, 2016.

INDIAN HEALTH SERVICE

WITNESSES

ROBERT McSWAIN, PRINCIPAL DEPUTY DIRECTOR, INDIAN HEALTH SERVICE

MARY SMITH, DEPUTY DIRECTOR, INDIAN HEALTH SERVICE

ELIZABETH A. FOWLER, DEPUTY DIRECTOR FOR MANAGEMENT OPERATIONS, INDIAN HEALTH SERVICE

GARY J. HARTZ, DIRECTOR, OFFICE OF ENVIRONMENTAL HEALTH AND ENGINEERING, INDIAN HEALTH SERVICE

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT. Good morning, and welcome to this oversight hearing for the Fiscal Year 2017 budget for the Indian Health Service.

Funding for Indian Country has been a nonpartisan priority of the subcommittee for many years now. Working together, we have grown funding for American Indian and Alaska Native programs at a greater amount and at a faster rate than any other programs in the appropriations bill. As a result, contract support costs are now fully funded, freeing up operation funds, and affording tribes the capacity to run additional programs rather than relying on the Federal government to do it for them.

Funds to meet extraordinary medical costs to victims of disasters or catastrophic illness which used to run out in the middle of the year, and, thus, spawn the common refrain in Indian Country, “Do not get sick after June,” are now finally in Fiscal Year 2017 estimated to last the entire year.

More children are receiving proper dental care. More teens are receiving the help and support they need to battle substance abuse and suicide. More providers are being recruited because we have been helping to pay their student loans. More new care facilities are opening their doors each year.

The list of accomplishments go on and on, and we are deeply proud of our work. But we also recognize that we still have a long way to go before health disparities in the American Indian and Alaska Native population compared to the Nation as a whole become a thing of the past.

I hope that today’s hearing will help highlight the measurable differences that reflect funding increases that have been made. As a subcommittee we need to be able to communicate to our colleagues in Congress that the sacrifice we make elsewhere in this appropriations bill in order to increase funding for Indian Country is actually saving lives.

Saving more lives, however, is not simply a function of more money. The Indian Health Service is battling a management crisis in the Great Plains area, for example. The crisis reached a new low

point recently when the Center for Medicare and Medicaid Services, CMS, terminated its agreement with Obama-Winnebago Indian—

Ms. MCCOLLUM. Omaha.

Mr. CALVERT. Omaha, excuse me. Omaha. After Denver's win, I should know that. Omaha. [Laughter.]

Omaha-Winnebago Indian Hospital because the conditions at the hospital posed an immediate jeopardy to the health and safety of patients. Just a few months later, CMS threatened to do the same at two additional Indian Health Service hospitals in the Great Plains area. All three hospitals are directly run by the Indian Health Service rather than by the tribes, and all three remain open for business under intense management scrutiny.

That said, it is not my wish to focus today on a hearing on the crisis in the Great Plains. The Senate Committee on Indian Affairs has already held a hearing on the matter, and I doubt it will be the last. Also I do not wish to imply that funding and management are unrelated. We all know that it takes money to hire and retain good people.

My point is this. When the Indian Health Service struggles with management and accountability, the subcommittee struggles even more to find the money, the offsets, and the votes to fund increases for the Indian Health Service.

The President's Fiscal Year 2017 budget is particularly challenging. The bipartisan Budget Act of 2015 increases Fiscal Year 2017 discretionary budget authority by less than one-tenth of 1 percent. And yet the President is proposing an 8 percent, \$377 million increase for IHS without any realistic offsets elsewhere in the budget. Of the proposed increase, \$241 million is just to keep pace with tribal and Federal pay costs, contract support cost, medical inflation, and population growth in order just to maintain current levels of service.

Program increases developed in close consultation with tribal leaders, which are necessary to staff newly constructed facilities, and to make any real progress to decrease the health disparities of American Indians and Alaska Natives compared to the Nation as a whole, are an additional \$136 million.

With us today from the Indian Health Service to get into the details and answer questions are principal director and current acting director, Mr. Robert McSwain—it is good timing—and his second in command, Deputy Director Mary Smith. Welcome, Mr. McSwain, and welcome aboard, Ms. Smith, I look forward to your testimony today.

But before opening statement, I would like to ask our distinguished ranking member, Ms. McCollum, for any opening remarks.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chairman. I would also like to join you in welcoming our witnesses here today, and I look forward to hearing their testimony.

Funding for the Indian Health Service has been an area of broad nonpartisan support—I think even stronger than bipartisan—and cooperation in the past several years. However, last year's events in the Great Plains region, as the Chairman pointed out, make it

clear there is more to be done and that there are still obstacles to us doing more.

We have a moral and legal responsibility to provide healthcare for Native Americans. When we fall short, it is not just a violation of treaty agreements that we hold with Native Americans, but it is a violation of a trust that we share. The failings at Omaha-Winnebago and Rosebud are alarming. Just alarming.

Despite the increase in resources this Subcommittee has provided, it is clear that resources alone will not solve all these problems. We also need permanent employees that have the skills needed to serve the region in a culture that fosters excellence in patient care. I am hopeful that the top to bottom audits that the Service is undertaking in the region will provide the assurances that these incidents will not happen again, and the guidance necessary to improve the entire Indian Health Service.

In Fiscal Year 2017, the Indian Health budget includes \$1.5 billion in discretionary funding, a \$377 million increase over Fiscal Year 2015 enacted level. Much of that increase, \$159 million, would be used to cover increases in the cost of providing the same level of service. \$82 million would go towards increased contract support costs, and \$103 million would expand and strengthen the Service's programs. I am pleased to see the budget request includes a \$12 million increase in the Indian facilities line for construction of new quarters for Indian Health Service staff.

The problems of the Great Plains region have made it clear that recruiting and retaining permanent staff must be a priority for the Service. The quarters budget increase will help the Service bring more permanent staff on board in these very isolated locations.

It is clear that there is a mental health crisis in Indian Country. Pine Ridge Indian Health Service documented 18 cases of suicide and 308 cases of attempted suicide last year. That is nearly 1 case per day. Suicide is the second leading cause of death for Native American youth age 10—to age 10—to 34. I am pleased that the budget request includes more than \$40 million in new resources to tackle this problem. However, the solution in the mental health crisis does not come from healthcare alone. So I am interested to hear how the Indian Health Service, working with other agencies, will ensure that Native Americans have the access to quality education and housing, as well as economic opportunity.

The Administration's Generation Indigenous Initiative seeks to coordinate its efforts in Indian Country, and I am interested in learning more about Indian Health Service's role in these efforts, and how tribal members can participate in the process.

Finally, I am concerned about the lack of dedicated resources in the budget to combat opiate addiction. In addition to treating addiction, we must develop the tools and pain management to ensure that patients in chronic pain do not abuse their medication later. I want to stress again, I think it is wonderful what the President has put in for drug intervention for youth. But in talking to youth recently in my office over the past 3 weeks, they are talking about parents and people over the age of 34 that they are in contact with that are either abusers or trying to quit the problem. So we need to look at this as a family issue, as a whole Nation problem.

Mr. Chairman, I want to thank you for holding this hearing today, and I look forward to working with you, and Chairman Cole, and everyone on this committee on these important issues, and doing our part to build healthy tribal communities, making the whole United States healthier.

Thank you, Mr. Chair. I yield back.

Mr. CALVERT. Thank you. Mr. McSwain, you are recognized for your opening statement.

OPENING REMARKS OF MR. MCSWAIN

Mr. MCSWAIN. Mr. Chairman and members of the committee, first of all, let me just apologize deeply for being late. It is not like me to do this, and I know I did not start off on a good foot. And I just want to, on behalf of the Agency, beg your indulgence.

As pointed out, I am the Principal Deputy Director of the Indian Health Service, and accompanying me today is Mary Smith, the Deputy Director, and also Elizabeth Fowler, Deputy Director for Management Operations, and Mr. Gary Hart is Director of the Office of Environmental Health. I think we have got the team here to be able to answer any and all questions that the committee has about our budget request.

I am pleased to provide testimony on the President's proposed 2017 budget for the Indian Health Service, which will allow us to continue to make a difference in addressing our Agency's mission to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives to the highest level.

The 2017 President's budget proposes to increase the total IHS program to \$6.6 billion, which will add \$402 million to the Fiscal Year 2016 enacted level. And if appropriated, this funding level would represent a 53 percent increase in funding for the IHS since 2008. And I want to thank the committee and the Congress for that support over the last few years.

The overall funding increases proposed in the President's budget are consistent with tribal priorities. We consult with the tribes on what we want to ask, and so this represents their ask as well as the Administration. And these will continue to address long-standing health disparities among American Indians/Alaska Natives compared to other Americans, specific investments including expanding behavioral health and mental health services, improving healthcare quality, capacity, and workforce, supporting self-determination by fully funding contracts or costs of tribes who manage their own programs, and ensuring increased healthcare access through addressing critical healthcare facilities' infrastructure needs. As you will see, I mean, we have had a great series of increases that have enabled us to replace facilities that are on average 33 years old per facility.

The President's budget includes funding for full, what we refer to as current, services. Full Pay Act. It is pay costs, inflation, and pop growth because a population does grow and we respect that, and we must maintain pace. And these are critical for just simply maintaining the budgets of IHS and tribal hospitals, clinics, and other programs to current levels. That gives us a starting point.

The budget also includes increases of \$49 million, of which \$46 million will be focused on critical behavioral health services, includ-

ing GEN-I certainly and suicide prevention projects, and also the integration of medical and behavioral health into our system so that there is a behavioral health/primary care integration. It has also continued the whole of behavioral health in tribal communities between medical and behavioral health and tribal community organizations. We have found that there are several programs out there are granted by other agencies. It is a matter of us working together and to integrate those into a complete program for those tribal communities.

The budget is to help implement Zero Suicide Initiative. And the Zero Suicide Initiative is, simply put, we run a healthcare system, and the healthcare system means that our staff are trained, not only our staff, but the tribal programs that are operated, that we are aware of high-risk people coming through the system, so that they are not just behavioral health people in the facility, but all the providers are trained to be aware of those indicators that would show that people are at risk. So we do not just simply have them come in for their usual medical checkup, but we are also observing so that we are training for purposes of zero suicide.

A youth pilot project, something that the tribes have been asking for for years, and that is after care. So we have these nice youth regional treatment centers. They go and they get treated, then they return. What about after care? So we are making an investment for after care. Domestic violence prevention to expand the numbers of grants to 30 additional Indian tribal organizations, and certainly funding to expand the Catastrophic Health Emergency Fund, and a bit for urban programs as well because Indian people do find themselves in urban programs, and that is a major priority for us.

Improving the quality of healthcare in the Indian health system is a primary objective of this budget, and it builds in to the point of investing in health information. Data drives our decisions, and we want a better data system that will help us do that. We have the electronic health record, and we can talk more about that as we go on, as well as we are moving towards all 27 hospitals under a hospital consortium that is based in quality measures.

The whole notion of the infrastructure for new facilities, and we have got things for addressing five newly-constructed facilities for tribal clinical leases and maintenance costs specific to where tribal space is ineligible for maintenance and repair, and some additional money to begin to address the backlog. As you all know, our backlog and basic maintenance repairs are around \$473 million, so we have made an investment to reduce that as well.

In addition, this budget will enable us to complete the Phoenix Indian Medical Center Ambulatory Care Center, and begin a design of the White River Hospital, continue construction of the Rapid City Health Center, and to begin the construction of Dilkon Alternative Rural Health Center on the Navajo, and to fund replacement, additional, and then, of course, as mentioned by Member McCollum, that we have a new venture in addressing the need for quarters. Staffing quarters is critical in some of our remote locations, and we put investment there to begin the process. We are still looking at where do we need to go with this, and we will do that.

Supporting self-determination. Again, full payment, and I want to just simply thank the committee for urging us in that direction. And we are there, and I think we have got a lot of good things to report on that front. We have got a couple of legislative proposals that I want. One of them is to address the very definitions of "Indian" in the Affordable Care Act. We have got several definitions, and so depending on how it is defined is how the law gets implemented. We would like to see that addressed in our proposal.

And finally, on our legislative proposals, another one is the special diabetes program. Very successful program for us in terms of a chronic care model, and we have got some data that we can share with you that certainly shows where we are beginning to slow the progress of diabetes in Indian Country, particularly amongst the youth.

And I know that you have mentioned it and we can talk about, but we are looking very closely at the Great Plains hospital. In this regard, a real focus on recruitment and retention of providers, certainly the housing issue, working more closely with our sister agency, the Center for Medicare and Medicaid Services. And what their findings are, I can tell you on the record, what they have found is unacceptable to us, and certainly has drawn the attention of Secretary Burwell. And she has put in place an ability to respond not only to the Department, but assist the Indian Health Service in addressing these issues.

I want to close by emphasizing that the challenges we face, I know that working together in partnership with Indian Country and the Congress, we can improve our Agency to better service tribal communities. And I appreciate all your efforts to provide us the best possible healthcare services to the people we serve, and in helping to ensure a healthier future for American Indians and Alaska Natives.

With that, I close, and the team will answer any questions that you might have.

[The statement of Mr. McSwain follows:]

DEPARTMENT OF HEALTH AND HUMAN SERVICES

STATEMENT

OF

ROBERT G. McSWAIN

PRINCIPAL DEPUTY DIRECTOR

INDIAN HEALTH SERVICE

BEFORE THE

HOUSE SUBCOMMITTEE ON INTERIOR, ENVIRONMENT AND RELATED

AGENCIES

APPROPRIATIONS HEARING

ON

THE PRESIDENT'S FY 2017 PROPOSED BUDGET

FOR THE

INDIAN HEALTH SERVICE

February 25, 2016

STATEMENT OF THE INDIAN HEALTH SERVICE

Mr. Chairman and Members of the Subcommittee:

Good morning. I am Robert McSwain, Principal Deputy Director of the Indian Health Service (IHS). Accompanying me today are Mary Smith, Deputy Director, Elizabeth Fowler, Deputy Director for Management Operations, and Gary Hartz, Director of the Office of Environmental Health and Engineering. I am pleased to provide testimony on the President's proposed FY 2017 Budget for the IHS, which will allow us to continue to make a difference in addressing our agency mission to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives (AI/ANs) to the highest level.

The IHS is an agency within the Department of Health and Human Services (HHS) that provides a comprehensive health service delivery system for approximately 2.2 million AI/ANs from 566 federally recognized Tribes in 35 states. The IHS system consists of 12 Area offices, which are further divided into 170 Service Units that provide care at the local level. Health services are provided through facilities managed directly by the IHS, by Tribes under authorities of the Indian Self-Determination and Education Assistance Act, through services purchased from private providers, and through Urban Indian health programs.

As an agency we are committed to ensuring a healthier future for all AI/AN people, and the IHS budget is critical to our progress in accomplishing this. From FY 2008 through FY 2016, IHS appropriations have increased by 43 percent thanks in part to your committee, and these investments are making a substantial impact in the quantity and quality of health care we are able to provide to AI/ANs. The FY 2017 President's Budget proposes to increase the total IHS program budget to \$6.6 billion, which will add \$402 million to the FY 2016 enacted funding level, and if appropriated, this funding level would represent a 53 percent increase in funding for the IHS since FY 2008.

The overall funding increases proposed in the President's Budget are consistent with tribal priorities and would continue to address long-standing health disparities among AI/AN, compared to other Americans. Specific investments include expanding behavioral and mental health services, improving health care quality, capacity, and workforce, supporting self-

determination by fully funding Contract Support Costs (CSC) of Tribes who manage their own programs, and ensuring increased health care access through addressing critical health care facilities infrastructure needs.

Prioritizing Health Care Services

More specifically, the President's Budget proposal includes funding for pay costs, inflation and population growth increases totaling \$159 million, which are critical to maintaining the budgets of our IHS and Tribal hospitals, clinics and other programs at current year levels, and ensure continued support of services that are vital to improving health outcomes.

The Budget also includes program increases of \$49 million to grow health care services by targeting funding increases to help close the gap in health disparities experienced by AI/AN and improve their overall health and well-being. Of the \$49 million, \$46 million will be focused on critical behavioral health services, including \$15 million for Generation Indigenous substance abuse and suicide prevention projects to increase the number of child and adolescent behavioral professionals; \$21 million to fund continued integration between medical care, behavioral health, and Tribal community organizations to provide the entire spectrum of prevention to impact health outcomes; \$4 million to fund implementation of pilot projects for the Zero Suicide Initiative in IHS, Tribal, Urban (I/T/U) organizations; \$2 million to fund a youth pilot project to provide a continuum of care for AI/AN youth after they are discharged and return home from Youth Regional Treatment Centers; and \$4 million for domestic violence prevention to fund approximately 30 additional I/T/U organizations. And \$3 million to expand services provided through the Catastrophic Health Emergency Fund and Urban Indian Health Programs.

Improving the Quality of Health Care Delivery

The Budget includes funding increases intended to strengthen the provision of high-quality care. The Budget proposes an additional \$20 million for health information technology (IT) to fund improvement, enhancement, modernization, and security of health IT systems used for patient care data. And an additional \$2 million for the IHS Quality Consortium, which will coordinate quality improvement activities among the 27 IHS Hospitals, Critical Access Hospitals and over 200 Outpatient Ambulatory Clinics to reduce hospital acquired conditions, avoidable readmissions, support the IHS Quality Consortium Work Plan with associated buildup of professional Quality

staff and development of a National Quality Manager Council. Additionally, this funding would help to address recent standard of care issues at three of our Great Plains Area hospitals.

Increasing Access to Quality Health Care Services through Improved Infrastructure

The Budget includes funds for infrastructure that is critical to health care delivery. Funding increases totaling \$43 million are proposed as follows: \$33 million to fund additional staff for five newly-constructed facilities opening between 2015 and 2017, including three Joint Venture facilities where Tribes funded the construction and equipment costs; \$9 million for Tribal clinic leases and maintenance costs, specifically where Tribal space is ineligible for IHS Maintenance and Improvement funds; \$5 million to provide additional funds in reducing the maintenance backlog of \$473 million at Federal and Tribal facilities.

In addition, a total budget of \$133 million is proposed to complete construction of the Phoenix Indian Medical Center Northeast Ambulatory Care Center (\$53 million), to begin design of the White River Hospital (\$15 million), to continue construction of the Rapid City Health Center (\$28 million), to continue construction of the Dilkon Alternative Rural Health Center (\$15 million), to fund the Small Ambulatory Grants Program (\$10 million), and to fund the replacement and addition of new staffing quarters in isolated and remote locations to enhance IHS recruitment and retention of health care professionals (\$12 million).

Supporting Indian Self-Determination

The Budget supports self-determination by continuing the separate indefinite appropriation account for CSC through FY 2017. Additionally, the Budget proposes to reclassify CSC as a mandatory, 3-year appropriation in FY 2018, with sufficient increases year over year to fully fund the estimated need for the program, for both the IHS and the Bureau of Indian Affairs. This funding approach continues the policy to fully fund CSC and helps to guarantee program integrity.

Mandatory Funding Proposal for Mental Health Initiatives

The Budget includes a HHS-wide 2-year mandatory proposal to address mental and behavioral health. For the IHS, the proposal includes a new \$15 million Tribal Crisis Response Fund, which would allow the IHS to expeditiously assist Tribes experiencing behavioral health crises, and an additional \$10 million to increase the number of AI/AN behavioral health professionals through the American Indians into Psychology program and IHS scholarships and loan repayment programs.

Legislative Proposals

I would also like to highlight two of our legislative proposals. First, IHS is seeking a consistent definition of “Indian” in the Affordable Care Act (ACA). Currently, the ACA includes different definitions of “Indian” when outlining eligibility requirements for certain coverage provisions. These definitions are not consistent with eligibility requirements used for delivery of other federally supported health services to AI/AN under Medicaid, the Children’s Health Insurance Program, and the IHS. The Budget proposes to standardize ACA definitions to ensure all AI/ANs will be treated equally with respect to the Act’s coverage provisions, including access to qualified health plans with no cost sharing.

IHS is also seeking permanent reauthorization of the Special Diabetes Program for Indians (SDPI). The SDPI grant program provides funding for diabetes treatment and prevention to approximately 301 I/T/U health programs. Most recently, the SDPI has been reauthorized through September 2017. Reauthorization of the SDPI beyond FY 2017 will be required to continue progress in the prevention and treatment of diabetes in AI/AN communities. Permanent reauthorization allows the programs more continuity and the ability to plan more long term interventions and activities.

Great Plains Hospitals

Finally, I want to acknowledge that we are working aggressively to address quality of care issues at three of our facilities in the Great Plains Area – Winnebago, Rosebud, and Pine Ridge. The challenges there are long-standing, especially around recruitment and retention of providers, but the deficiencies cited in the reports by the Centers for Medicare and Medicaid Services (CMS) are unacceptable. We have an intense effort underway right now to address the problems cited by CMS at these three hospitals. We brought in independent third-party reviewers to advise us on addressing the specific deficiencies found by CMS. To assist IHS in these efforts, additional U.S. Public Health Service officers are supplementing IHS personnel in the Great Plains Area. At the same time, we are working to improve communications with the Tribes impacted. More broadly, we are redoubling their efforts to ensure that sustained, quality care is delivered consistently across IHS facilities. As part of a longer-term effort to make sustained change, we transformed our Hospital Consortium into a Quality Consortium and I have a new Deputy Director, Dorothy Dupree, who will work across the IHS to solely focus on quality improvement. We are also developing a strategic framework and sustainable plan for the Great Plains Area, in consultation with the Tribes.

I close by emphasizing that even with all the challenges we face, I know that, working together throughout HHS, with our partners across Indian Country and in Congress, we can improve our Agency to better serve Tribal communities. I appreciate all your efforts in helping us provide the best possible health care services to the people we serve, and in helping to ensure a healthier future for American Indians and Alaska Natives.

Thank you and I am happy to answer any questions you may have.



Robert G. McSwain, M.P.A.

**Principal Deputy Director
Indian Health Service**

Robert G. McSwain, a member of the North Fork Rancheria of Mono Indians of California, is the Principal Deputy Director for the Indian Health Service (IHS). Mr. McSwain most recently served as the Acting Director for the IHS. The IHS, an agency within the Department of Health and Human Services, is the principal federal health care advocate and provider for American Indians and Alaska Natives.

Mr. McSwain administers a \$4.8 billion nationwide health care delivery program that is responsible for providing preventive, curative, and community health care to approximately 2.2 million American Indians and Alaska Natives in hospitals, clinics, and other settings throughout the United States.

Mr. McSwain began his federal career with the Indian Health Service in 1976 as Director for the IHS California Area Office. In 1984 he was named Special Assistant to the IHS Director and assigned to long-term training at the University of Southern California. In 1986, he was transferred to the IHS Headquarters in Rockville, Maryland, where he held positions of increasing responsibility and diversity, including Director of the Division of Health Manpower and Training for the Office of Health Programs, Deputy Associate Director for the Office of Administration and Management, and Management Analysis Officer for the Office of the Director. From 1992 to 1997 he served as the Acting Associate Director for the Office of Human Resources. Mr. McSwain was selected as the Director of the Office of Management Support in March 1997. From August 2004 until February 2005, he served as the Acting Deputy Director for Management Operations and from February 2005 until September 2007 as the Deputy Director of the IHS. He served as the Acting Director of the IHS from September 2007 until he was sworn in as the Director of the IHS in May 2008 and served until May 2009.

Mr. McSwain obtained a Bachelor of Science degree in Business Administration from California State University - Fresno in 1969. In 1986, he earned a Master's degree in Public Administration and pursued doctoral studies in public administration from the University of Southern California. Mr. McSwain has received numerous honors, including the President's Rank Award for Meritorious Service in 2002 and the President's Rank Award for Distinguished Service in 2006.



Mary L. Smith
Deputy Director
Indian Health Service

Mary L. Smith, a member of the Cherokee Nation, is the Deputy Director of the Indian Health Service (IHS). The IHS, an agency within the Department of Health and Human Services, is the principal federal health care advocate and provider for American Indians and Alaska Natives.

As Deputy Director, Ms. Smith holds responsibility for a number of key agency priorities and plays an important role in ensuring that high quality comprehensive health services are available and accessible to American Indian and Alaska Native people across the United States. She provides leadership on the progress IHS has made in behavioral health and native youth initiatives, such as Generation Indigenous. She also serves as the primary IHS liaison to other federal agencies.

Ms. Smith previously served in the Clinton White House as the Associate Counsel to the President and also as Associate Director of Policy Planning in the Domestic Policy Council. In those roles, she provided leadership on a variety of policy priorities, including Native American issues, and coordinated with the Indian Health Service on preventive care and efforts to reduce health disparities. She was the highest-ranking Native American during the Clinton Administration.

More recently, Ms. Smith held the position of General Counsel at the Illinois Department of Insurance where she was responsible for implementation of the legal aspects of the Affordable Care Act in Illinois. In this position, Ms. Smith worked extensively with health care insurers across the country and with the Department of Health and Human Services. Prior to this, Ms. Smith worked as Counselor in the Civil Division at the Department of Justice from 2009 to 2011 where she was also the highest-ranking Native American political appointee.

Ms. Smith served as the first Native American woman on the American Bar Association's Board of Governors from 2009 to 2012. She was also the President of the National Native American Bar Association from 2013 to 2015. Ms. Smith also has substantial management experience from her time working for a Fortune 100 company. She brings her years of experience as an advocate for tribal matters to the Deputy Director position.

Ms. Smith graduated from the University of Chicago School of Law, cum laude, where she was a member of the Law Review. She received a Bachelor of Science degree in Mathematics and Computer Science, magna cum laude, from Loyola University of Chicago.

Ms. Smith's numerous honors and awards include the 2012 Spirit of Excellence award from the American Bar Association.



Elizabeth A. Fowler
Deputy Director for
Management Operations
Indian Health Service

Elizabeth A. Fowler, a member of the Comanche Nation with descendancy from the Eastern Band of Cherokee Indians, is the Deputy Director for Management Operations for the Indian Health Service (IHS). The IHS, an agency within the Department of Health and Human Services, is the principal federal health care advocate and provider for American Indians and Alaska Natives.

As Deputy Director for Management Operations, Ms. Fowler serves as the principal advisor to the IHS Director for the management of IHS operations. She is responsible for providing management direction to the IHS program offices, including implementing IHS agency goals and mission; providing overall organization management to improve agency performance; developing strategic plans; and planning, directing, and evaluating the operations of the Headquarters functions, authorities, and responsibilities in support of the Director.

Ms. Fowler began her career with IHS in 1990 in the headquarters division of Personnel Management. In December 1990, she moved to the Office of Public Health and worked in positions of increasing responsibility through October 2002, when she became the Deputy Director for Budget Formulation within the Division of Financial Management. In that role, Ms. Fowler was responsible for directing the development of the IHS budget documents from the preliminary phase through the congressional phase and ensuring tribal consultation in the process. Ms. Fowler most recently served as the Director of the Office of Finance and Accounting.

She has received numerous awards from the IHS and HHS, including the HHS Secretary's Award for Distinguished Service, various IHS Director's Awards, and the Luana Reyes Leadership Award.

Ms. Fowler received her Bachelors of Science degree in mathematics from the University of Maryland. She has continued her professional education in business and accounting studies.



Gary J. Hartz
Director
Office of Environmental Health
and Engineering
Indian Health Service

Gary J. Hartz, P.E., retired U.S. Public Health Service (PHS) Rear Admiral, is the Director of the Indian Health Service (IHS) Office of Environmental Health and Engineering (OEHE). The IHS is an agency within the Department of Health and Human Services (HHS) that is the principal federal health care provider and health advocate for American Indian and Alaska Native people. Mr. Hartz oversees health care facilities and staff quarters construction, facility maintenance and operations, and realty. He also has responsibility for a comprehensive environmental health program including institutional environmental health, injury prevention, and sanitation facilities construction services throughout Indian Country.

Mr. Hartz began his career with the IHS in 1971. His first assignment as a PHS Commissioned Corps Officer and Field Engineer was with the IHS Navajo Area in Tohatchi, New Mexico, followed in 1974 with an assignment to the IHS Alaska Area in Ketchikan with responsibilities for sanitation facilities construction throughout Southeast Alaska. In 1977, he transferred to the IHS Headquarters in Rockville, Maryland, where he was subsequently promoted to positions of increasing responsibility within OEHE, including Chief of the Sanitation Facilities Construction Branch, Director for the Division of Environmental Health, and ultimately to his current position of Director, OEHE. He has also been in numerous special assignments such as the Technical Training Director for the Moroccan Peace Corps Volunteer Skill Training Unit, a Self-Governance negotiator, and an agency witness before numerous congressional committees addressing budget and technical issues. He was promoted to Assistant Surgeon General in January 1996.

In August 1998, Mr. Hartz was named Acting Director for the Office of Public Health. The Office of Public Health had responsibilities for a wide range of health activities related to health leadership, policy development, and advocacy for American Indian and Alaska Native public health issues. He managed a staff that assisted the agency on budget formulation and resource allocation regarding the operation and management of IHS direct, tribal, and urban public health programs; program evaluation and assessment; research agenda; and special public health initiatives for the agency.

During the period of the IHS restructuring, Mr. Hartz held the position of Acting IHS Deputy Director from August 2004 to February 2005. He shared the responsibility for management of a national health care delivery program responsible for providing preventive, curative, and community care for approximately 1.8 million American Indians and Alaska Natives.

Mr. Hartz received his bachelor of science degree in civil engineering from the University of North Dakota, Grand Forks, North Dakota. In 1977, he earned a master of science degree in civil engineering: construction engineering and management from Stanford University, Palo Alto, California. He also has completed postgraduate studies at Syracuse University, Syracuse, New York, and continued management development at the Federal Executive Institute and the Senior Managers in Government program at the John F. Kennedy School of Government at Harvard University. Mr. Hartz is a registered professional engineer.

In May 2005, he was one of two U.S. representatives to the World Health Organization (WHO) in Geneva, Switzerland, to finalize the Third Edition of the WHO Guidelines for the Safe Use of Wastewater, Excreta, and Greywater. A recipient of numerous PHS and IHS awards and honors, Mr. Hartz has received two Hazardous Duty Awards, two Isolated Hardship Awards, several Unit Citations, the Special Assignment Award, two Outstanding Service Medals, the Meritorious Service Medal, the Surgeon General Award for Exemplary Service, and the Distinguished Service Medal, the highest award of the Public Health Service. In 1986, Mr. Hartz received the HHS Federal Engineer of the Year Award presented by the National Society of Professional Engineers. He has been an active participant and leader in his community, church, and professional organizations.

Mr. CALVERT. Thank you, Mr. McSwain. Mr. Cole will start off the questioning.

Mr. COLE. Thank you very, Mr. Chairman, and let me just say publicly, I want to thank you and our ranking member for all you have done over the last few years in this area in your respective positions now, but just even before that when you were simply members of the committee. It has made a big difference in a lot of lives.

And I want to congratulate the Administration, too, in this regard. This has been a great area of bipartisan cooperation and where I think the resources that have been placed there have broadly, you know, made things better, have saved lives, so there is a lot to be proud of here. But as you pointed out in your opening remarks, there are always things to be concerned about.

I am going to have to leave literally after my question and your answer, Director, because I have got to chair a hearing with Secretary Burwell at 10:00. So I have got to go do that, and I am sure we will discuss this issue in that hearing.

GREAT PLAINS

So I do want to give you an opportunity to talk at length on this Great Plains CMS issue. I am very concerned and troubled when you have three difficult facilities. It suggests something systemic is a problem. And so, one, I would like to know specifically what are the findings and what has been done to correct them for those three facilities. And then, you know, what you are doing system wide to make sure this is not three needles in a haystack that suggest there are more needles.

JOINT VENTURE

Last point if you would touch on it, would we find the same thing in tribally operated facilities as we are finding in these? Is there any disparity in ratio? And, again, if so, why, or do you think these issues that we found in these three facilities we would find if tribal facilities were looked at? Is this random? Again, I want your thoughts, and I will say I tend to have a bias in favor of tribes basically, you know, joint venturing and operating their own facilities.

Nobody holds you accountable like your own people do. And I know in our tribe, when we took over the operation of our facilities, or began to, in the 1970s, it made an enormous difference. You know, almost immediately we saw wait times come down very dramatically because if somebody is sitting there waiting too long, they would simply call a tribal legislative official, and you could get your fingers around their neck pretty fast. So they were just responsive.

On top of that, we developed people in our own tribe, gave them opportunities to acquire professional skills, and manage big budgets. And, frankly, they have moved on into other directions now. It gave us a cadre of really trained and talented people.

I just want to get your thoughts on that, on the contrast between, again, IHS facilities and tribally operated facilities.

Mr. MCSWAIN. Thank you for that question, Congressman Cole. There are very important distinctions, and one of those is on the Federal side we are governed by rules, regulations, pay systems,

and tribes have the ability to be flexible. They are not bound by the pay schedules, so they can be very competitive in doing so, as well as the regulations that govern. But they are also governed by certainly the same rules we are when it comes to certification by the Center for Medicare and Medicaid Services.

We have not had any citations for tribal facilities, and clearly I think a lot of it has to do with when the tribes operate, they take pride in managing it very literally. I mean, of course, as you mentioned, when there is a complaint by a tribal member, they know where to go. They are running it. They go to their council. And when we are running it as we do with 27 hospitals and some 200-plus health centers across the country, they are staffed, and we run according to Federal regulations and Federal requirements.

And the biggest challenge, and this segues into the challenges I am seeing in the Great Plains area. We are addressing currently the current findings by CMS in those three facilities, and they center around having trained, qualified providers. And we are trying to carry out the mission with a combination of contractors, a heavy contract load. So if we can hire permanent staff, and I think it was mentioned earlier that the biggest solution is to have permanent staff there.

STAFFING AND HOUSING

But it is a challenge. Many of these locations are very remote, very isolated, and not only is it a housing issue, which we are struggling with and we put forward the notion. And let us face it. I have talked to many of the tribal leaders, and they have a housing program. They do not have enough housing just for their own members. You know, they have 20 people in a house. As I talked to one tribal leader, he says I cannot give you a house to provide for staff. I need those homes for my own members. I will certainly work with you on space and so forth if you can build them, ergo a request for additional housing.

Housing is a real challenge, and we found that out when we were beginning to address the issue with Pine Ridge suicides. We could send healthcare workers up there, but they had to drive 60 to 70 miles.

Mr. COLE. Yeah.

Mr. MCSWAIN. And they were not going to stay there. And so we immediately began putting in place some temporary facilities on the short run and then some modular. So those are the challenges in the Great Plains area which are probably not shared other places in the system.

Mr. COLE. Yeah, and let me just make this point, and then I will yield back my time that the chairman has been generous with. I think that is true. I have been to the Rosebud. Ms. McCollum and I were on the same trip there and seeing the facilities, and seeing the challenges in terms of the housing. And I want to commend you for doing it.

While I am very concerned about this, I want you to know I see a lot of these things as functions of a system that has been historically underfunded. I do not blame this on the Indian Health Service or what have you. I have some idea of the scope of what you have to deal with literally for generations. And it is only the last

few years, honestly, that we have begun to give you the resources to make the difference that you are making.

But I would commend you to keep really looking at this because, as the chairman suggests, this is the sort of thing that does make it difficult for us to convince our colleagues to continue the fund the Service, which I think is indispensable. And while I have a bias towards tribes operating on their own, that is a tribal choice. I mean, I respect tribes that choose to do it in a different manner, and they are best situated to make decisions for themselves as to which would work better for them. And it should not be imposed on them from up here.

So just thank you for your good work, and look forward to working with you, look forward to working with my friend, the chairman, and the ranking member, and the other members of this committee to see if we can continue to build on the progress of the last few years.

Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. Ms. McCollum.

Ms. MCCOLLUM. Thank you, Mr. Chairman. I would just like to follow up on that. It is not just housing in the Great Plains area. It is housing throughout Indian Country. It is a school for the employees to send their children to. The Chairman, and I, and the members of the committee are working on improving the situation in schools, being able to recruit and retain teachers through alternate housing. If you are a person who comes to work at one of these IHS facilities, or even an educational facility, we should ensure that high-quality daycare is available.

This is a whole-of-Nation challenge. President Obama has made it a priority to have all the agencies sit down and work together on these problems. You do not address a whole problem by siloing it, and checking off a box, and saying we took care of it. So I appreciate that, and I think the committee is going to ask at some point what we are doing throughout the agencies to help you address this problem and other problems.

MENTAL HEALTH

This also goes to a whole-of-family issue. As I mentioned in my statement, and you also touched on, there is a mental health crisis in Indian Country, and Native youth have been particularly hard hit. The budget request does have additional funding for tribal youth around mental and behavioral issues. We could talk about this for hours, but I am just going to lay out a few questions. If you could, give us a general observation and then get back more fully to the staff.

Please describe your request and how these initiatives are going to improve mental health outcomes for youth. Nationally, not only in tribal areas, there is a huge shortage for capacity for youth with psychiatric issues, mental health issues. So I want to know how the Service is going to work to help youth in this way.

Let me just describe what I have seen in Indian Country. Should a youth and their family reach out, they are sent to a regional treatment facility which can be hours and hours away from the family. When a youth is having a challenge, that usually means quite often that the family is having a challenge, or if the family

is not having the challenge, the family needs the supports put in place for when that youth comes home. Usually that means family counseling, or addressing other issues and maybe substance abuse problems in the family so the whole family is being treated.

SUBSTANCE ABUSE

I hear that directly from youth in my office. I was in Red Lake, and they are seeing their out of home placement go through the roof, in part because of substance abuse in the family, which affects a child, or a child is living with a grandparent who needs more tools in their toolbox when the child comes home from treatment.

I want to know what you are doing to bring this assistance closer to home. Building a new regional treatment facility is a good step, but it is not the only step. If that is our only focus, we will have failed these children, and we will have another generation suffering from post-traumatic stress.

Could you kind of give us an overbroad description of what you are doing to address the whole issue? I am pleased that you are asking for a new regional treatment facility, but that is not the full solution. Then please follow up with the staff in greater detail.

Mr. MCSWAIN. Thank you for that question, Congresswoman McCollum. This is a real challenge obviously in many of our communities. And the biggest challenge is the available resources and available access points for behavioral health and mental health in the communities.

What we are learning is as we work hand-in-hand with the tribes and we are doing that, and I have to go back to Pine Ridge as a prime example because we focused on Pine Ridge. A year ago when they had 18 suicides. I am happy to continue to hold my breath because we have made it through the winter months now with no suicide since November. I think a lot of it has to do with attention.

And I think your other comment about the Indian Health Service cannot do it alone, we recognize that. And I want to thank Secretary Burwell and Deputy Secretary Wakefield for literally getting us all together and saying, okay, all the agencies in the Department have a role to play. And then they are reaching out beyond that. Clearly the Secretary is reaching out to other departments that could help.

So we have got to work all together to begin to address this issue. SAMHSA is a good partner. They are providing resources to the communities, the tribes, and their programs. Our goal is to ensure that we link them with our provision of care to their community action groups.

The agreement we have, and you mentioned the schools. We have entered into an agreement with the BIA to have mental health workers in the schools if they give us just a little bit of space. I know space is hard.

Ms. MCCOLLUM. Yeah.

Mr. MCSWAIN. But we can have someone there that can begin to counsel the youth in the schools, and make them available to the communities, and we are building a model. And if what we are doing is, in fact, working, then we will need to do more of that in other places, because as I have traveled around the country with listening sessions in 12 areas last year, it is not just the Great

Plains area. It is the Navajo, it is the Northwest, it is Alaska, it is California, it is the Arizona folks.

I mean, everyone is very concerned about their youth and what is available. And you are right about we can build as many YRTC's, or youth regional treatment centers, but, again, someone has to get them there, and then return them, which is what we are finding out, and we have proposed that in the budget. We want to do something about after care, and so that there is more watching of the kids when they return and for providing those safe zones. I think there was a hearing that was held last year about the cost of suicides. And one witness said schools are a safe zone. So this is because of families and the struggles at home.

So all of this comes together, and I just want to say that what we are learning in Pine Ridge as a model, we can replicate. But you are right. There is a big debate going on presently about trying to build another facility in a far location, and whether or not that is the best thing to do because the families want to be local. And so, then the challenge is where do we put it locally?

And I know that with the Great Plains area, we are testing with a strategic plan, and I will ask Mary Smith to respond to that because I think it is an important thing we are doing. We are doing a lot of immediate response, but then the long-term, how do we sustain it and keep it going? If you do not mind, I would like to have Ms. Smith respond to the strategic plan layout, if you would, please.

Ms. MCCOLLUM. Okay.

STRATEGIC PLAN

Ms. SMITH. Well, thank you. Hi, I am Mary Smith. I am Deputy Director of the Indian Health Service. With respect to, I know it was mentioned the challenges in the Great Plains, so we are certainly addressing immediate things that were cited by CMS, and trying to work to solve the immediate problems. But one of the other things that has kind of been mentioned at this hearing is some of the systemic challenges that we have with staffing, housing, and lack of access to, you know, schools and job opportunities for spouses and things like that.

So we are actually engaging in kind of a strategic framework effort to look at some of these core issues, like staffing, housing, and expanding the use of telemedicine to try to strategically think about these things. We are looking at both short term, intermediate term, and long term, you know, proposals.

Of course we cannot do this without our tribal partners and you all, so we are gathering data. We hope that this will be a data-driven process. And in the very near term we will be reaching out to our tribal partners and you all to start to think through these problems on how we can address them both short term and longer term.

MEASURING PROGRESS

Mr. CALVERT. Thank you. Let me ask a question regarding your testimony. As you mentioned, our appropriations have increased approximately 43 percent since 2008, and substantial investments to impact the quantity, of course, but also the quality of healthcare

provided to American Indians and Alaskans. What do you consider to be some of the most significant improvements? You mentioned measuring. How do you measure that progress?

Mr. MCSWAIN. I think our most significant has been in the areas certainly and our ability to purchase care. We have had a rather significant increase in the purchaser/referred care account, contract health service. In some areas, and not in all areas, we are struggling with some areas, and some of them are still on priority one, life and limb. But a number of the areas have begun to see where they can get down into level 3, and 4, 5. Not 5, but 4. 5 is not allowed certainly because it is cosmetic surgery certainly is one where, well, if you can get down into 3 and 4 and you get preventive health, you are past the life and limb.

I think our biggest success has been in purchased/referred care, and our ability, because we—as you know, over the years we have converted a number of hospitals to health centers. And by converting them to health centers means we buy the care. We buy the secondary care that we need to provide the full comprehensive care that we provide to our American Indian and Alaska Native patients. So there has been a shift in that regard and will continue to be so. But that is one major piece.

And the other one is facilities. I mean, I recall 15 years ago we had not much support for facilities, and we have actually been moving down that road in terms of finishing a lot of facilities on that priority list, and joint ventures. The Joint Venture Program has been real robust. And so, if we partner with a tribe, the tribe will build the facility, and we will staff it. And that is another way to provide more quality access to care with some of these facilities that are being built.

So those are two examples in addition to behavioral health. I mean, as you know, the old days, and I have been around the system for a few years, and our experience in the older days was we could take care of by just providing safe water and sanitation. We could have an impact, a positive impact on infant mortality. Today we are challenged by behavioral issues, and behavioral issues are in the community which requires us to work closely with tribes.

But the investments we are making in behavioral now are, as you can see in our budget proposal for this year, the President's budget proposal for 2017 is really beginning to focus on behavioral issues.

BEHAVIORAL HEALTH

Mr. CALVERT. On the behavioral health issue, we have some of these Native institutions. For instance, I have one near my district in California, the old Sherman Indian Institute. And it seems in the past, many folks sent their children out to these schools for education.

But it seems lately, that they are sending young people to these outer areas to get away from their homes primarily to fix a behavioral issue or some family issue that they cannot deal with on their own reservation. Are these facilities, or is it better to have, as you say, these centers closer to home, closer to their families? How do you look at that?

Mr. MCSWAIN. To the extent we can, and I think you are referring the Southern California Youth Regional Treatment Center, that is being constructed near Hemet.

Mr. CALVERT. Right.

Mr. MCSWAIN. That facility, we chose the site based on the tribes getting together where they would like to see that site, where is it most accessible, and where can it be. And they selected that site. The same went for Northern California. The tribes got together and they selected a site. And the idea behind that is, in fact, I think Mr. Hart has just given me some examples. As soon as we are done with these—

Mr. CALVERT. Sure.

Mr. MCSWAIN [continuing]. We will invite you to, I think we have had a conversation about inviting you to. This is one at Hemet in Southern California.

But it is where we put them, and I think in every case recently it has been the tribes participating. And there was a lot of testimony at the groundbreaking with some kinds that been shipped away. One of them came back to say that the program was great. It is just she was not sitting in Salt Lake City, would prefer to be closer to home.

And so, those are the testimonies that we are getting for having those sites closer in. And so, I think that plus other options, I mean, it is not just YRTC's, but we partnered with Boys and Girls Clubs that would work on the reservations and help us put together meaningful activities for kids on the reservations. And so, those are things that we are doing on this front.

Mr. CALVERT. I look forward to attending the ribbon cutting.

Mr. MCSWAIN. Yes. Yes.

Mr. CALVERT. Ms. Pingree.

Ms. PINGREE. Thank you, Mr. Chair. Thank you for your work and for your presentation here today.

SUBSTANCE ABUSE: OPIOID

I want to just talk briefly, too, about the opioid epidemic. It seems like virtually every committee I sit on has had to have a hearing on opioid issues, and it is certainly a challenge that all of us face in our States across the country. And people see it really at a crisis level. But it is certainly a big challenge within the tribes as well.

I come from the State of Maine, and the Penobscot Nation is one of the eight tribes throughout Indian Country to receive funding for a grant. It was the Department of Justice Coordinated Tribal Assistance Program, and they were able to have a healing-wellness court. That CTAS grant will end, and that will be too bad because that has been a real asset in terms of getting people through the court system and right into treatment. The lack of the grants is going to be exacerbated by the fact that there are insufficient facilities to treat people with the opioid crisis.

In our State, often to find an in-patient bed, people have to travel as far away as North Carolina, and so many of these issues we have been talking about, the importance of being close to your community, to your family. So I know that the substance abuse budget,

the request is for an increase from \$114 million to \$140, and I know that would be very helpful.

But I guess I would like to hear you talk a little bit about will any of those funds that you are requesting support increase access to in-patient treatment for adults? And can you talk a little bit about the current status for in-patient care for substance abuse treatment, and how budget increases to contract health services might help in this area.

Mr. MCSWAIN. Excellent question. The whole opioid area, as a healthcare delivery system, it is one that I would certainly wish Dr. Susan Karol was here, the chief medical officer, because she has been providing leadership for the whole of medication, controls, and pain management. And we tend to have it in pain management occurring in our facilities. We tend to palliate someone who is in pain, and then wind up having a prescription drug problem, namely with opioids. And so, as part of a larger issue from certainly the President and the Secretary is a major push on opioid abuse. And we are as a system addressing it that way.

Now, your question about hospitalization, it does not necessarily arise unless they are in real deep trouble. Then they will be referred to the PRC program to a facility for purposes of either detox or certainly for attention. So as a system, we are very, very conscious of our pain management program. In fact, we have published a policy and provided ongoing training with our providers about how to approximately administer pain management medications certainly in the area of opioids.

I know that what we are doing, you know, and I am having conversations with tribal leaders about not only the quick step between opioids coming out of our healthcare system to heroin abuse. It is the transition because if they cannot get their opioids, OxyContin and such, from our healthcare delivery system, and that is an area for us to really begin working on very carefully. And we have some campaigns of teaching, and certainly of our providers, but also of communicating with the tribes about the need for that. There is not a tribal meeting I have had where a tribal leader has said I have got a real problem in my area, and you help by addressing this.

As a system, we are responding, and I know on the tribal side, on the tribal programs, they are also responding, the ones that are totally run by tribes, such as Alaska and California, for example.

Ms. PINGREE. I appreciate that you are taking a comprehensive look because I think you are right. In most communities people have been concerned about the over prescribing of pain medication. Then certainly in many of the areas of the country like we have in New England, as physicians tighten up on pain medications, you have a lot of people who are previously addicted, less expensive heroin moves right in. That has really become a challenging issue, and it certainly is in my State and I know in a lot of other places.

So having a physician involved in that role, but then figuring out what to do. And as we all know, these are very powerful addictions. So for many people, the only option that will be helpful is going to be an inpatient recovery program. It is good that doctors are better at dealing with the issue or that there is some medication assisted treatment. But in the end, I know we will continue to ask you that

question about how in a State like mine that does not have sufficient facilities, do we manage that, and if there is an increase in your budget, is there a way to have more in-patient treatment. So in our State people do not have to travel so far away or wait so long for beds because, as you know, there is sometimes a moment that you can get someone into treatment, and if they have to wait a long time then it is not a possibility a month later, or sometimes they are not with us a month later. We certainly hear from our tribal leaders that that is a huge challenge.

Hopefully there will be an increase in your budget, and hopefully we will see and others will see that there is better access. Thank you, Mr. Chairman.

Mr. MCSWAIN. I just want to add one other thing as you were mentioning, Congresswoman Pingree. It was the fact that we have also partnered with the Bureau of Indian Affairs, particularly their law enforcement individuals. We have actually entered into an MOA that is going to address not only training for the use of naloxone because of opioid overdose. For them to be able to use the naloxone to, in fact, ensure that they do not expire from an overdose. And so, that training is going on across all the reservations and have law enforcement individuals, not only the BIA law enforcement, but those tribes that have their own law enforcement, like Cherokee.

Ms. PINGREE. That is great. That is very important, too. Thank you.

Mr. CALVERT. Thank you. Mr. Simpson.

SUBSTANCE ABUSE

Mr. SIMPSON. Thank you, Mr. Chairman. It is an interesting discussion that we have on that because it is a real problem with prescription drug overdoses. The challenge is, having been a medical professional in the dental field, as a doctor it is hard when someone comes in to see you in what appears to be severe pain, to say, no, you are not in pain, and how do you deal with that? And trying to establish whether someone is there because they just want access to drugs or if they really do have pain is a challenging thing for doctors to try to deal with. But it is a real problem, and something that we have got to find a way to fix this, and have people more conscious of the issue.

We have a tendency to just want to say do not over prescribe, and that will solve the problem. It is not nearly as easy, and I am not suggesting that you are saying that.

Ms. PINGREE. No.

Mr. SIMPSON. But it is not as easy as some people sometimes think it is.

JOINT VENTURE

You mentioned joint ventures where the tribes will build facilities and we will staff them. Do we have any facilities that have been built that we have not staffed that are planned to be staffed because of a lack of funding?

Mr. MCSWAIN. None whatsoever because part of, as you know, with the Joint Venture Program is that when we go through the process, and Mr. Hart can provide some lengthy experience about

the Joint Venture Program. What basically happens is it is a competitive process, very competitive. And the idea behind it is the tribe will build a facility. They will have a conversation with us so that we can match up our requirements for staffing in terms of their population, et cetera.

But they will build a facility, and they will find the resources necessary to build that facility. And we commit in an agreement that at some point that they are going to open, we will ask for staffing funds for staffing and operating that facility. And so, that agreement means that we have not built any joint ventures or we have not committed to providing staff.

Mr. SIMPSON. So we have not had instances where the tribes get out of ahead of our ability to staff them, because several years ago when we were looking at this issue, we found that there were facilities that were built, particularly tribes that had successful casinos and had the extra money. These tribes went out and built them, and then came to us saying, hey, we need to get this staffed. And apparently the Department does not have the resources not only in the health area, but also in the law enforcement area to staff those facilities. But we have addressed that problem?

Mr. MCSWAIN. On the Indian Health Service side, I know where you are going with, for example, there were several detention centers that were built with no program in mind.

Mr. SIMPSON. Right.

Mr. MCSWAIN. And they have come to us and said, oh, can you put your behavioral health program in that detention center. But for purposes of healthcare delivery, like a health center or a hospital, if it is a joint venture, we have a conversation with them, they apply for it, and they are approved it. We go through a two-step process. They give us their ideas. We review them. We move to the second level which they have a business plan.

But at the end, we will reach agreement with them. And currently the last go-round, we had 13 that actually qualified for consideration. We started out with three at the top that we have agreed, and they are on schedule, and they will be reflected in upcoming budgets. And because the other ones were small in terms of staffing requirements, we went ahead and did all seven. We added four. And the idea behind it, so it is a combination.

Now, in terms of facilities meaning access to care. And the tribes have elected to build if they have got the wherewithal, and you mentioned casinos. The tribes can build them, and we will partner with them and staff it with staff. And, of course, this new one where we have done this for a while is that we have a proposal for a small ambulatory because, and, again, in the interest of providing access to care, that was a very successful program. They can leverage the funds that we give them with other agencies and matching.

But the idea is they can have a facility that they can then have available for access to care on their reservations or in their communities. It is usually a health station, and you will see that in our budget. But to answer your question, no, I mean, there have been some of those, but they know the Joint Venture Program. In fact, they know the rules. Do not turn the dirt because you have not been approved. And we have to have an agreement that has been finalized.

In fact, just yesterday we finalized a major one with the Cherokee Nation about they are doing a complete redo of the Hastings Hospital and expanding it rather significantly, again, for the people in that part of the country.

CONTRACT SUPPORT COSTS

Mr. SIMPSON. Okay. 2 years ago, Congress drafted IHS to fully fund Contract Supports Costs. In order to do that, IHS took money from the direct operations. Direct operations funded some dental positions at headquarters. They need positions filled, but the funding would now come out of the dental program. It is kind of a rob Peter to pay Paul situation.

DENTAL

This year direct operations received a \$2 million decrease. I am aware that there are several dental positions at headquarters that are vacant. Are there still vacancies, and how many and how long have they been vacant? Will the salaries come out of the dental program line? Are any of these vacancies because of funding changes due to Contract Support obligations? And did meeting the Contract Support costs requirement affect leadership hiring?

CONTRACT SUPPORT COST

Mr. MCSWAIN. Okay. On the Contract Support Cost area, 2014 was a watershed year, as you pointed out. That year we projected and we wound up having to find some discretionary side of the house to be able to meet our full obligation. And then in 2015, we were able to kind of right the ship a bit, and in 2016 the President's budget had proposed a mandatory account or at least full funding. And I think that you all responded by a law that said we would have a third account with indefinite funding.

And so, for all intents and purposes, we have moved the contract support costs into a third account. And even though our proposal for 2017 is saying we still would like it over in mandatory because the Supreme Court has made it real clear we are to pay a hundred percent. And so, we are paying a hundred percent of all our obligations under contract support costs so that it will not now be a matter of finding the money on the discretionary side or taking it away from direct service programs.

So I feel confident in the future. That is in a good place. In fact, I know that Deputy Director Smith has been working and providing leadership to the Contract Support Costs Workgroup. So we are going to actually have a policy in place that has been revised since 2001, updated in 2006, and now because of the court case we need to reissue that policy, and then put everything in a place where there is an agreed-upon policy.

And I think we are real close to a final version, in fact. It was a hard lift. I think we have had a contract support cost workgroup working on this since 2010, and we are beginning to see where it is going to put that in a proper location, and the fact that we will continue to meet our obligations at a hundred percent without adversely affecting the rest of the budget.

DENTAL

Mr. SIMPSON. What about the dental aspect to it?

Mr. MCSWAIN. The dental aspect of it, we have some vacancies, but the director of the Oral Health Division who is filling those positions is not being told otherwise. He is not constrained because we went into a freeze in order to meet our obligations, and that included dental. But now he has been given the green light to go ahead and fill these positions.

Mr. SIMPSON. Okay.

Mr. MCSWAIN. And it is going to be a challenge around the country. It is a challenge similar to other healthcare professionals. Dental is a challenge in many of our locations. We do have some dental vacancies. And, again, with your support, we have increased the numbers of loan repayment programs that would help us fill those positions.

Mr. SIMPSON. Okay. Thank you.

Mr. CALVERT. Thank you. Mr. Kilmer.

Mr. KILMER. Thank you, Mr. Chairman. Thanks for being with us. I guess the good part of going last is a lot of stuff I wanted to ask about has been talked about, including mental health to opioids.

TELEMEDICINE

I do want to talk about something that has not been discussed. I represent an area that has a lot of rural coastal tribes, and they face some unique challenges. The conversation around telemedicine I think is valuable when you are geographically isolated, but is less helpful if you do not have access to high-speed internet.

Being able to provide care in your community is a challenge if your care facility, which is the case for one of the tribes I represent also serves as your emergency response center and is right in the path of the tsunami zone.

So I guess my question is, does IHS look at those sorts of challenges? What do we do for those remote, geographically isolated tribes in terms of being able to provide healthcare in those communities? How can we as members of Congress help?

Mr. MCSWAIN. That is an excellent question, Congressman Kilmer. It is interesting. I was sort of reflecting on where your question was going. How did we discover penicillin? And the notion is that we were faced with a challenge.

And I think in the case of telemedicine, we are facing right now a real challenge of ensuring that we can provide quality access to very remote locations. We have got some great models, and Alaska is a great model insofar as telemedicine. For them to travel to any one is between a \$10,000 and \$15,000 one-way trip. So there is the need to have it certainly available.

A recent, and certainly going back to Great Plains area, is that we are looking at stationing telemedicine staff in some of the remote locations, and how do we go about doing that. Bandwidth is a big issue clearly, I mean, because if you are talking about simply having communication and access is one thing. But if you are going to move large files, X-ray files and such across that, now you are going to really be challenged on bandwidth. And some of our iso-

lated locations in the country become a real issue. But we are working with our fellow agencies about how to begin to address the bandwidth, if you will.

And, of course, the other part of it, too, telemedicine, you have got to have both ends. You have got to have the folks at the other end that is available to manage the patients coming into the center, whether it is behavioral health, which is even more so, or whether it is medical. We do a really great retinopathy program that we are doing by telemedicine. We are able to do reds. I was in Elko, Nevada and had my eye checked, and I was being told it was being read in Phoenix.

And so, that is those kinds of abilities. And I think as a system, it is my view that we need the tool that we can use in the absence of having a full staff out there. In some places you do not merit having, let us say, for example, an optometrist in the community because it is too small. But you can certainly have telehealth available for that community. And that is where we are going to go.

So I think from an agency stance, we are doing that across the country. First it was by urgency, and now we have a design to move ahead.

Mr. KILMER. I would certainly love to follow up with you and your team on how you work with those other agencies on making telemedicine a reality. I also think we have got to figure out how to make sure care facilities do not end up in the path of tsunami. If you are a coastal tribe, I think that is a real problem.

SUBSTANCE ABUSE: OPIOID

I also wanted to just follow up on one of the issues that Ms. Pingree mentioned with opioid abuse, and you touched on naloxone kind of availability. Just can you give us a sense of whether there are adequate resources available to have that deployed and to have law enforcement trained? I know that that is looked at as a potential resource to at least avoid fatalities associated with overdose. So I am just curious whether the IHS had adequate funding to roll that out.

Mr. MCSWAIN. We have not been adversely affected to move ahead, and we have been using certainly our prime vendor, which is a special agreement we have with VA on making available naloxone for purposes of deploying it. And our relationship with BIA, with the Bureau and law enforcement, for example, and tribal law enforcement people is such that I think that if we start to project that we are going to be adversely affected by that, but otherwise we are making it available.

Mr. KILMER. Are the communities that ask for it getting it?

Mr. MCSWAIN. Right. Right.

Mr. KILMER. No one is being told no?

Mr. MCSWAIN. No one is being told no at this point. And, again, it is a supply that is available. If it grows, I guess, in demand, we will have to address that as well.

Mr. KILMER. Okay. Thank you, Mr. Chairman.

MEDICARE AND MEDICAID

Mr. CALVERT. Thank you. I will just ask another question here. The Federal government funds many of the healthcare programs

for which American Indians and Alaska Natives are eligible to receive services free of charge. Full enrollment in these programs can stretch limited appropriations to the Indian Health Service much further. Could you update the committee on Indian Health Service's efforts to achieve full enrollment for the eligible service population?

Mr. MCSWAIN. I am not so certain I quite understand your question, Mr. Chairman.

Mr. CALVERT. What are you doing to encourage people to enroll in Medicare and Medicaid programs.

Mr. MCSWAIN. Oh, okay. Coming through our system, we have the benefits offices certainly as a patient comes into a given center. The first place they are going to go is patient registration, which then begins to tease out what are they eligible for. Are they eligible for Medicare or are they eligible for Medicaid? Do they have private insurance? And if they are eligible for Medicaid, we enroll, get them enrolled.

It is interesting. It is a voluntary system for us. We translate the importance of the ability to bill Medicaid and Medicare for them because we can turn that into additional services provided by that given facility because, as you know, the law that was authorized in 2010 said all collections will return to the facility which generated them.

And so, there is certainly an incentive to have them get enrolled. I mean, there was a time that tribal people would push back and say, wait a minute, do not you have a trust responsibility to us? Why do you make me sign up for this other, and when we explain to them how important it is, then we have seen the numbers go up. Have we maximized? I do not believe we have maximized, and clearly, of course, it gets into whether the State has expanded Medicaid.

But I think in any case, we want to make sure we maximize availability. And if they are veterans, then we will sign them up, and we will bill VA for their services.

Mr. CALVERT. Well, it certainly helps us on our appropriations process if we are able to move that across. I certainly would encourage you to do that because we have challenges just to increase the appropriations this year, just to stay even with the increased cost in healthcare in Indian country.

So anything that we can do to offset some of this is certainly important. Do you have a thought?

Ms. SMITH. Yes, Mr. Chairman. I think we have been working a lot more closely with CMS to try to see if we can think of some creative thing to have like easier eligibility for both programs and working more collaboratively with CMS. So I think we are making strides in that area, and we are going to continue doing that.

Mr. CALVERT. Okay, good.

Mr. MCSWAIN. Yeah, let me just add to that. That is an important point, Mary. And that was that we have added another person to our senior staff. Her job is Deputy Director, Quality Care, but she had a vast experience with CMS, and she brings up these new ideas. For example, the new idea was just recently I had not heard of this, but auto enrollment.

Ms. SMITH. Yeah.

Mr. MCSWAIN. Actually when patients come in, we can get them enrolled automatically. So, I mean, that will expedite and expand our ability to ensure that as many people as possible are covered, and, therefore, we will be able to generate some additional resources for those clinics. And that will maybe take a little load off you.

SUBSTANCE ABUSE

Mr. CALVERT. Right. Thank you. Ms. Pingree.

Ms. PINGREE. Thank you, Mr. Chair. Again, I appreciate your being here today, and just one brief question here. Maybe you have talked a little bit about this, but I do not think so, about the coordination with SAMHSA. As I understand, in 2014 they created an Office of Tribal Affairs. I am just curious about how you work with them. We have talked a lot about behavioral health issues, how the collaboration with them works. Are they informed by the Indian Health Service? Are you informed by them? Just what that relationship is like and how you benefit from it.

Ms. SMITH. That is an excellent question, and the reason I am sort of happy about the question is that we have had a consolidation, if you will, in Rockville. So SAMHSA now, and we have moved into the 5600 Fishers Lane, and so has SAMHSA. So they are just in the building.

Ms. PINGREE. Great.

Mr. MCSWAIN. And so, it has made our coordination a whole lot easier. But even before that, we have been working together with SAMHSA on their community, and we have traded many efforts, if you will. We have got a grant going out, we let them know. They have got a grant going out, they let us know. And if there is an outbreak somewhere, Kana Enomoto over at SAMHSA is quick to call us. If there is a tribe out there that reaches up through SAMHSA, we get a call. I mean, just recently a tribe out in California had a series of suicides. So, I mean, there is a more growing collaboration between SAMHSA and Indian Health Service as it pertains to what SAMHSA can do versus what we can do, and then we collaborate.

And I think going back to the example of, I think there was a question raised about coordination. I thought we were coordinating well, but it turned out that we had a couple of sites out on one of the reservations that were not coordinating at all. They funded a clinic, a program, and we are funding a clinic, and the two folks across town, a small community, had not talked. And so, we corrected that. You talk to your grantee, and I will talk to our folks, and we will get that coordination.

So we are having more of that coordination on the ground, which is so easy for us to say, well, they are in the same building. But, no, to answer your question on point is it has increased and will continue to increase as we begin to look at what they are being funded for versus what we are funded for.

And the major distinction is we are a healthcare system, and so we are delivering care, whereas they are delivering funds to the community to develop the community capacity. And so, for us still to work together as we bring about a maximizing of our efforts.

Ms. PINGREE. That is good to hear. Thank you.

Mr. CALVERT. Thank you. Mr. Simpson.

DENTAL

Mr. SIMPSON. More than 5 years ago, HHS decided to take approach to early childhood caries, a childhood epidemic in Indian Country. They recruited and trained healthcare workers beyond the dental program to work with kids and families on how to recognize and prevent disease. Working with 1- to 5-year-olds was the first step in addressing oral disease.

Now the program has launched and they are ready to move onto other oral disease categories. Early childhood caries was the dental program's first 5-year initiative. What will follow that?

Mr. MCSWAIN. I think on point, the—oh, I am sorry. I thought it was on. Thank you. Certainly Dr. Lozon and company at IHS headquarters is, in fact, continuing the initiative through the next 2 years and clearly, is conducting the ECC sites again. So we have not lost track of the fact that early childhood caries is still a very light program. I mean, we have not stopped that. Just yesterday, Dr. Lozon, I asked him where is our program, and he said, no, we are expanding. So we are going to continue.

CONTRACT SUPPORT COSTS

Mr. SIMPSON. Okay. I want to ask a question that I probably should not ask because somebody will say what are you thinking. There used to be a saying around here 5, or 6, 7 or 8 years ago in Indian Country, "Do not get sick after June because all the money ran out." That is something that this committee concentrated on, trying to provide the funding that is needed for Contract Support Costs at a level where healthcare was available. Now, the saying is "Do not get sick after September." We are moving along in the right direction.

What is your authority to transfer funds within accounts to meet issues that come up, like if you run out of money for Contract Support Costs? Can you move money between accounts? And the reason I ask this is the Forest Service has the ability that when they have catastrophic wildfires going on, they can take funds out of different accounts to make sure that they fight those wildfires. Now, we do not like that in this committee.

Can you do that, or do you have to go through reprogramming process?

Mr. MCSWAIN. We have certainly authority up to—let me check. Is it up to a million? Up to a million to move between budget activities. Anything more than that, then we come in for your clearance.

REPROGRAMMING

Mr. SIMPSON. On the reprogramming?

Mr. MCSWAIN. Yeah, on the reprogramming. Now——

Mr. SIMPSON. Is that an appropriate level, or should it be more?

Mr. MCSWAIN. Well, we can get back to you on that I think. So far, it has not affected us.

[The information follows:]

At present, IHS has the authority to reprogram up to \$1 million dollars between activities within one appropriation account. In the case of contract support costs, IHS no longer requires reprogramming of funds due to the separate, indefinite appropriation provided in the FY 2016 Omnibus. Furthermore, IHS does not have the authority to move money between appropriation accounts. At the current time, IHS does not anticipate a need to increase the existing reprogramming authority.

Mr. MCSWAIN. But getting to your other question that you raised, Congressman—

Mr. SIMPSON. Before you answer that, the challenge obviously is that when you look at healthcare services, when you look at less important programs versus trying to transfer money out of those, there are no less important programs often times. If you look at the Forest Service, they can say, we are not going to do trail maintenance this day and nobody dies from it.

So it is a different challenge that you face, but if you could move money between less, and I hate to say less important, but less critical programs to more critical accounts when they run out of funds, would a million dollars be sufficient, or would increased authority in that arena be advantageous?

Mr. MCSWAIN. Yeah, I think increased authority would not hurt. But I think there are two ways to answer this question. One is 60 percent of our program is contracted by tribes. Tribes have the legal authority to redesign. They can move money around. On the direct side because we are running the direct certainly on our side, then we are looking at the accounts. And I think the one-year raise at the outset is that, no, it is no longer June and it is no longer September. We got through. And what you are most likely talking about is a catastrophic emergency health fund, and that is the one that was running out of money because of the numbers of large cases.

We are going to have to look a little bit because we are getting ready to publish, and I think we have not published it yet. The reauthorization enabled us to reduce the threshold to \$19,000 instead of \$25,000. And that may have an effect on the numbers of high-cost cases coming in, which means that we will have to take another look at it.

And because of that, we have asked for a \$3 million increase in our CHEF account for 2017. Just if we implement that change in threshold, then you may hear that again, but I do not think so. I think we are okay. But I think the authority to move money around in a health system is always an item, but I think on our side certainly we can talk with folks as to whether or not that is something we would want to propose.

Mr. SIMPSON. Thank you for being here today, and thanks for the work you do. It is, as you can tell from this committee's support, vitally important that we address not only the healthcare needs, but the other needs in Indian Country. And we do have a trust responsibility this committee takes very seriously. So thank you for what you do.

Mr. CALVERT. Just to clarify on Mr. Simpson's question, when we are talking about moving funds, we are not just talking about moving funds within the Health Service. Can you move funds from outside of the Health Service within the Bureau's accounts? I think maybe that is what he is also asking. Have you ever moved money

outside of your particular line, out of the Indian Health Service account?

Mr. MCSWAIN. We clearly have always had two accounts, and then, of course, with the addition of contract support costs. And the whole distinction is we would not move any money from the Service's budget into the facilities budget or conversely. I mean, those are walled off, and we do not do it. We would reprogram within, for example, a subset of activities like dental to agency and conversely, but, again, very limited.

Folks are pretty jealous about, you know, let us talk if you are talking about trying to move money from this category to this category.

Mr. CALVERT. Okay. I just wanted to clarify that.

Mr. MCSWAIN. Okay.

Mr. CALVERT. Well, I certainly want to thank you for your attendance today. We appreciate your coming to our hearing. We wish you well. You have a big challenge ahead of you. We will try to work with you the best we can to help you meet those challenges.

With that, if there are no further questions, we are adjourned.

Mr. MCSWAIN. Thank you.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Budget Hearing: Indian Health Service
February 25, 2016

Questions for the Record – Acting Director of the Indian Health Service

Questions from Mr. Calvert:

Measuring Progress

As you state in your opening testimony, appropriations for the Indian Health Service have increased by 43 percent since fiscal year 2008, and these investments are making a substantial impact in the quantity and quality of health care provided to American Indians and Alaska Natives.

Calvert Q1: What do you consider to be some of the most significant improvements, and how are you measuring progress?

Answers: The increased funding has enabled IHS to make positive impacts of various kinds. Some notable examples are:

Methamphetamine and Suicide Prevention Initiative (MSPI) (proposed name change in FY 2017 President's Budget to Substance Abuse Suicide Prevention Program) and Domestic Violence Prevention Initiative (DVPI) (proposed name change in FY 2017 President's Budget to Domestic Violence Prevention Program) – Measures are tracked through annual progress reports from funded projects. The MSPI & DVPI projects made considerable progress in improving access to care. From 2009-2015, MSPI resulted in over 12,200 individuals entering treatment for methamphetamine abuse; more than 16,560 substance use and mental health disorder encounters via telehealth; over 16,250 professionals and community members trained in suicide crisis response; and more than 690,590 encounters with youth provided as part of evidence-based and practice-based prevention activities. From 2010-2015, the DVPI resulted in over 78,500 direct service encounters including crisis intervention, victim advocacy, case management, and counseling services. More than 45,000 referrals were made for domestic violence services, culturally-based services, and clinical behavioral health services. In addition, a total of 688 forensic evidence collection kits were submitted to federal, state, and tribal law enforcement.

Purchased/Referred Care (PRC) – Recent program funding increases and implementation of the Affordable Care Act have allowed many of the IHS and Tribally-managed PRC programs to approve referrals in priority categories other than Medical Priority 1 (life or limb), including some preventive care services, thus increasing access to patient care services. In FY 2015, 65 percent of programs were able to do so. The increase in the Catastrophic Health Emergency Fund (CHEF) has allowed the CHEF to reimburse qualifying catastrophic PRC claims throughout the fiscal year. Progress for these improvements are measured by annual data calls and the annual unmet need report.

Health Care Facilities Construction – Over the past five years, IHS constructed new healthcare facilities at New Town, ND, Eagle Butte, SD, Nome, AK, Barrow, AK, San Carlos, AZ, and Kayenta, AZ. Also under the Joint Venture Program, where the Tribe builds a new facility with non-IHS funds and IHS funds staffing and operating costs, 12 new facilities have opened since 2010. All of these new facilities greatly expand services and improve the delivery of modern health services. Progress is measured by opening these facilities for services.

Special Diabetes Program for Indians (SDPI) – Since its inception in FY 1998, many clinical indicators in AI/AN people have shown significant improvement, importantly:

- *Slowing of the rise of diabetes prevalence:* From 2001-2005, there was a relative increase in age-adjusted diabetes prevalence in AI/AN adults of 2.2% per year on average, while from 2006-2013, diabetes prevalence increased only 0.8% per year on average¹.
- *Childhood obesity rates have levelled off:* Rates of obesity in AI/AN children and youth aged 2-19 years remained nearly constant from 2006-2013¹.
- *Improved blood sugar control:* Average blood sugar (as measured by the A1C test) in AI/AN patients with diabetes decreased from 9.0 percent in 1996 to 8.1 percent in 2015, nearing the A1C goal for most patients of less than 7 percent.²
- *Improved blood lipid levels:* Average LDL cholesterol in AI/AN patients with diabetes decreased 22 percent from 118 mg/dL in 1998 to 94 mg/dL in 2015, well below the target of 100 mg/dL.²
- *Reduced kidney failure:* From 2000 to 2011, the rate of new cases of kidney failure due to diabetes leading to dialysis declined 43 percent in AI/AN people. This is a much larger decline than in any other racial group in the U.S.³
- Establishment of the Improving Patient Care (IPC) Program has led to the recognition of 26 past participant sites as Patient Centered Medical Homes (PCMH). These facilities were recognized by different accreditation organizations including the Joint Commission, the National Committee for Quality Assurance, and the Accreditation association for Ambulatory Health Care. Participation in the IPC Program has led to the adoption of a quality improvement, patient-centered cultural shift among the 172 past-participant sites with spread of the concept to non-participant sites.

¹ IHS National Data Warehouse

² IHS Diabetes Care and Outcomes Audit

³ United States Renal Data System

One way IHS measures progress for the agency is through reporting on Government Performance and Results Act (GPRA) performance measures (see table directly below). IHS aggregates 22 clinical budget measure results in the annual budget covering broad areas of population performance including diabetes, dental care, and immunization coverage and prevention activities. The 9 measures below have retained the same measure logic from 2008 to 2015; therefore, the results can be compared over time. The dental access measure with 2008 - 2015 denominators of over 1.2 million AI/AN patients has a relative performance increase of nearly 17 percent. The behavioral health screening measures (alcohol screening among females of child-bearing age to prevent fetal alcohol syndrome, interpersonal/domestic violence screening, and depression screening of AI/AN adults 18 years and older) have demonstrated success.

**Indian Health Service Performance Improvement
Between FY 2008 and FY 2015¹**

GPRA Measure	FY 2008 Results	FY 2015 Results²	Relative Increase between FY 2008 and FY 2015
Diabetes Measures			
LDL (Cholesterol) Assessed	63%	73.3%	16.4%
Retinopathy Exam	50%	61.3%	22.6%
Dental			
Access to Services	25%	29.2%	16.8%
Immunizations			
Influenza 65+	62%	65.4%	5.5%
Prevention			
Mammography Rates	45%	54.5%	21.1%
Alcohol Screening (FAS Prevention)	47%	66.6%	41.7%
IPV/DV Screening	42%	63.6%	51.4%
Depression Screening ³	35%	67.4%	92.6%
Prenatal HIV Screening	75%	86.6%	15.5%

¹Of the 22 clinical measures on the IHS-All Dashboard (aggregate of federal and tribal reporting sites), the logic for these 9 measures has remained unchanged since 2008. Thirteen of the 22 measures are not included on this table. Eleven (11) measures cannot be compared to 2008 results because new standards of care changed the measure logic. Two (2) new measures were added since 2008.

²The IHS began calculating measure targets and results to one decimal point in FY 2011.

³GPRA measure since FY 2013.

Calvert Q2: Of these, how does the FY17 budget propose to make further progress?

Answer: MSPI and DVPI programs will continue to make progress by increasing the number of projects funded, with an additional \$15 million proposed in the budget. Specifically, the increased funds for MSPI will allow more projects to hire behavioral health providers to focus on children, adolescents, and families. The increased funds for DVPI will increase the number of projects to build coordinated community responses to domestic and sexual violence.

Health Care Facilities Construction programs will continue to make further progress by funding healthcare facilities on the priority list, including Joint Venture projects. The FY 2017 budget proposes increases to Health Care Facilities for the Small Ambulatory Program to construct healthcare facilities thus providing increased access to health services.

The FY 2017 budget proposes permanent reauthorization of the SDPI. SDPI has already contributed to remarkable improvements in diabetes-related outcomes, including diabetes prevalence and end-stage renal disease. With the stability afforded by permanent SDPI funding, it would be expected that further improvements in diabetes outcomes would result. Permanent reauthorization would allow the grantee programs more continuity and the ability to plan more long term interventions and activities. This continuity would also help reduce the difficulties

some grantee sites have with recruiting and retaining qualified staff. Tribes have expressed support for permanent authorization.

Calvert Q3: How does the FY17 budget focus on other items where we haven't made progress, and how do you intend to measure that progress if the funds are appropriated?

Answer: The FY 2017 budget focuses on critical behavioral health investments and includes a total of +\$67 million above FY 2016 to help close the gap in behavioral health disparities experienced by American Indians and Alaska Natives. Specifically, the Behavioral Health Integration Initiative (+\$21.4 million) focuses on behavioral health integration with primary care to ensure that behavioral health issues are addressed in the Patient Centered Medical Home. The Generation Indigenous program (+\$15 million) expands the successful Methamphetamine and Suicide Prevention Initiative (proposed name change to Substance Use and Suicide Prevention Program) to increase the number of child and adolescent behavioral health professionals who provide direct services and implement youth-based programming at IHS, Tribal, and Urban Indian health programs, school-based health centers, and/or youth-based programs. The Zero Suicide funding (+\$3.6 million) is essential to move the needle in providing safer suicide care in our hospitals and health clinics. The youth pilot project (+\$1.8 million) is an area that IHS requires additional funds to ensure that aftercare services exist when youth are discharged from inpatient alcohol and drug treatment. Native youth face uphill battles when they return to the same environments after inpatient treatment. The funding will allow the Youth Regional Treatment Centers to pilot a program to offer culturally appropriate services during treatment and provide coordination for aftercare services after discharge to prevent readmissions and offer a chance at successful recovery. A total of \$25 million for mandatory behavioral health funds is also requested to establish a \$15 million Tribal Behavioral Health Crisis fund as well as \$10 million to expand the number of behavioral health professionals in AI/AN communities.

The FY 2017 budget also addresses the systemic issues in the recruitment and retention of qualified health care professionals through replacement and construction of new staff quarters at remote locations.

The FY 2017 budget also proposes \$2 million to support the IHS Quality Consortium, led by an Executive Council composed of IHS Area Directors and Area Chief Medical Officers. As its primary purpose, the Quality Consortium will implement a prioritized work plan for the IHS hospitals and outpatient clinics to improve quality and patient safety among these facilities. Consultative services to IHS Area Directors and Area/facility staff will facilitate reviews of quality and performance to identify strengths and weaknesses and address steps for continual improvement. Additionally, the Consortium will refine governing board function and performance. Development of standardized and consistent quality processes and procedures across the IHS healthcare system will drive improvement in healthcare delivery. Funds from this program increase will also be utilized to support leadership development and proficiency training for Area Directors and Chief Medical Officers. Credentialing and privileging policy and infrastructure solutions will be developed to standardize practices and coordinate data sharing (which could include a centralized credentialing software system) for interoperability among all IHS facilities. The WebCident clinical safety reporting system will be substantially upgraded or replaced to improve usability and align with current technologies and reporting

requirements. Development of a clinical safety Root Cause Analysis/Sentinel Event Investigation capability will improve the methodology and consistency of analysis/investigation.

Unobligated Balances

Agency unobligated balances are expected to top \$1 billion going into FY17, and are increasing at a much faster rate than offsetting collections.

Calvert Q4: Given that congressional appropriations have been late—but consistently late—over the past several years, how do you explain increasingly high unobligated balances?

Answer: The increase in Facilities construction unobligated balances are mainly due to new health care facilities construction projects where funding is obligated once these projects are ready to implement construction contracts. Delays in appropriations impacts the timing of developing construction documents, the bidding process, and negotiating with Tribes.

There are carryover balances for the SDPI, MSPI, and DVPI programs. The balances represent the varying grant cycles and starting dates.

There also are carryover balances for the PRC program. PRC spending plans are based on a projected weekly spending budget to include an estimated 10% carryover to address the referrals and emergency cases that occur towards the end of the fiscal year. This carryover funding allows IHS to plan for PRC medical expenses through the end of the fiscal year.

The largest carryover balances are of third party collections. The ACA also has resulted in increased collections by IHS service units, which has impacted carryover balances. In addition, one use of certain third party collections is to fund major renovations or purchase large medical equipment, and one practice is to save up balances until there is a sufficient amount for such purposes. These balances are spread across more than 120 locations.

Current Services

The budget proposes \$159 million above the FY16 level just to maintain current levels of service by covering existing salary & benefit costs, medical and non-medical inflation, and population growth.

Calvert Q5: If this appropriation bill can only afford a \$159 million total increase for the Indian Health Service, is your priority that this increase go to maintain current services, or would you want to work with us to distribute the funds toward a combination of current services and program increases?

Answer: The President's Budget was developed to focus on the top priorities and presents the best combination of increases to impact Indian health care.

Population Growth

Last year, the subcommittee visited the Navajo Nation, where we learned that the Navajo Nation is projected to have 1 million enrolled members by 2050. They currently have 300,000 members. The Navajo warned that soon we won't be able to afford them.

Calvert Q6: How does the agency estimate funding needed for population growth?

Answer: In FY 2017, the population growth is estimated to grow at 1.8%. Estimates are applied to budget lines that provide services for which there is an expected increase in the number of American Indians and Alaska Natives (AI/AN) to be served. Using this methodology, the estimated need for population growth in FY 2017 would be approximately \$73.4 million, partial funding of \$43.2M is proposed for FY 2017. Population growth is the average projected growth in the IHS service population based on vital event data (births and deaths) for the AI/AN population. The estimate is reviewed and updated annually.

As the agency witnesses' population growth, increases in facilities construction funding will facilitate additional funding request to meet the demand for health care facilities and housing construction.

Calvert Q7: Are you seeing a direct correlation between the estimated increase in the service population and the actual increase in caseload?

Answer: Yes, from 2009 to 2015, a strong, positive correlation exists between the increase in the number of eligible patients (service population) and the amount of increase in caseload measured in either patients or outpatient visits.

Year	Service Population	% Incr.	Outpatient Encounters*	
2009	1,943,672		11,776,865	
2010	1,979,297	1.8%	12,604,784	7.0%
2011	2,014,280	1.8%	12,661,246	0.4%
2012	2,049,961	1.8%	12,848,986	1.5%
2013	2,086,381	1.8%	13,180,745	2.6%
2014	2,123,470	1.8%	13,514,272	2.5%
2015	2,161,310	1.8%	13,742,078	1.7%

*Outpatient encounters annually represent the total number of Individual visits at both federal and tribal facilities.

From Facilities perspective, we see the growth manifesting itself in the need for sanitation facilities to new homes and the packed waiting rooms and long waits for health services or dental appointments in most healthcare facilities.

Medical Inflation

Calvert Q8: How does the agency's estimate of medical inflation compare across the industry and other Federal programs?

Answer: The agency's estimate is based on the CPI-U Medical index from the Annual Economic Assumptions Report, which includes a standard inflation index for the industry.

Calvert Q9: Is it standard practice across Federal medical programs to build medical inflation into their annual budgets?

Answer: To our knowledge, medical inflation is taken into account in other Federal medical programs. However, IHS defers to the Department of Veteran's Affairs and the Centers for Medicare & Medicaid Services for further information.

Calvert Q10: Does Congress usually appropriate increases to cover medical inflation in other Federal medical programs?

Answer: To our knowledge, medical inflation is taken into account in other Federal medical programs. However, IHS defers to the Department of Veteran's Affairs and the Centers for Medicare & Medicaid Services for further information.

Advanced Appropriations

Tribal leaders are increasing pressure to provide advance appropriations for the Indian Health Service—a policy which I am open to considering because of its potential to stretch already limited appropriations further.

Calvert Q11: Has the agency estimated the costs and benefits of an advance appropriation?

Answer: The IHS has not performed an in depth analysis of advance appropriations. The IHS is happy to provide technical assistance given a specific set of parameters to use.

Calvert Q12: Why has the agency not included, among its legislative proposals for FY17, a proposal to authorize advance appropriations?

Answer: We understand that advanced appropriations could have some benefits for Tribal planning purposes, and could prevent some challenges resulting from a lapse in federal funding during a government shutdown. While advanced appropriations could address some of the difficulties created by uncertain timing of annual appropriations, it would not address the more urgent issue of ensuring adequate funding for IHS through the annual appropriations process, such as proposed in the FY 2017 Budgets. We remain committed to working together and with Congress to ensure that temporary funding measures or future interruptions in funding do not impact the continuity of health care for American Indian and Alaska Native patients.

Enrollment in Other Federal Health Programs

The Federal government funds many healthcare programs such as Medicare and Medicaid for which eligible American Indians and Alaska Natives can receive services free of charge. Full enrollment in these other programs can stretch the limited appropriations to Indian Health Service much further.

Calvert Q13: Please update the subcommittee on Indian Health Service's efforts to achieve full enrollment of the eligible service population in these other programs.

Answer: The IHS continues to work with CMS and the State Medicaid agencies to identify patients who are eligible to enroll in Medicare and Medicaid, the State Children's Health Insurance Programs and in the implementation of provisions in the ACA/IHCIA, and the Children's Health Insurance Program Reauthorization Act. Implementing Medicaid Expansion and enrolling patients in the Health Insurance Marketplaces continues to be a major focus. IHS is making progress in ACA implementation and increased Medicaid enrollments. IHS is continuing to monitor its user population and insurance coverage and is making all possible efforts to maximize Medicaid enrollment in all States, including those that have not yet implemented Medicaid expansion. IHS continues to provide resources and education related to the changes under the ACA to Tribes, to the tribal and urban Indian communities and to individual IHS beneficiaries.

The ASPE March 2015 Marketplace Enrollment Report, which is based on CMS data, and reflects the entire 2014-2015 open enrollment period, shows 26,314 Qualified Health Plan (QHP) selections made by self-reported AI/ANs. For comparison, the ASPE March 2016 Marketplace Enrollment Report, which is the latest available, show 29,211 QHP plan selections by self-reported AI/ANs. However, It should also be noted that: (1) the January 2016 report does not represent the full open enrollment period, and (2) does not take into account the AI/ANs who are tribal members that can enroll outside of the Open Enrollment period. IHS understands that the next Marketplace enrollment report will include comparable year-to-year comparisons for the enrollment estimates, including a break out of AI/AN enrollment.

IHS also collaborates with CMS and the Tribes on a number of issues, including implementation of recent legislative changes, third party coverage, claims processing, denials, training and placement of State Medicaid eligibility workers at IHS and Tribal sites to increase the enrollment of Medicaid eligible AI/AN patients. IHS is coordinating outreach, education, and training efforts in order to avoid duplication of efforts. IHS has partnered with CMS to provide a number of training sessions for Tribal and IHS employees, focusing on outreach and improving access to Medicare and Medicaid programs. IHS also continues to work directly with the Department of Veterans Affairs (VA) to implement billing practices to ensure IHS receives proper payment for care provided at IHS and Tribal facilities to AI/AN veterans. Monitoring, auditing, and compliance with the agreement will continue to be a focus for FY 2016 through FY 2017. Implementation plans have been developed to bill the VA and collect at all IHS federal sites serving eligible Veterans. Currently, 100 percent of federal sites are billing the VA for services. Tribal health programs currently have 89 agreements with the VA.

IHS maximization of third party collections is affected by factors such as turnover in staff, training needs, system updates, and industry changes (Medicare Payment reform, ICD-10, ACA Implementation, and Medicaid Expansion).

Calvert Q14: What are you requesting in your FY17 budget to help reach the goal of full enrollment?

Answer: The FY17 budget proposes \$159 million in current services increases to ensure service unit base budgets are not required to absorb these cost increases. This is important for ensuring that service units can make full use of third party collections to improve business practices

necessary to enroll eligible patients in third party programs whenever possible and bill and collect for the services provided. While efforts continue in all states where IHS facilities are located, this is especially significant in those states that have implemented Medicaid expansion. In addition, the budget will support additional staff, such as staffing for new facilities and additional behavioral health providers, who will generate additional local revenue.

Offsetting Collections

Offsetting collections accounts for \$1.2 billion of the IHS budget each year. The FY16 budget proposed a \$10 million appropriation to improve third party collections, which was not appropriated. The FY17 budget no longer requests this increase.

Calvert Q15: Please explain the current problems you're having with third party collections, and whether an increased appropriation in FY17 can yield a significant return on the investment.

Answer: IHS' ability to maximize third party collections is affected by factors such as turnover in staff, training needs, system updates, and industry changes (e.g., Medicare Payment reform, ICD-10, ACA implementation, Medicaid expansion). There is a continual need to ensure staff are trained and updated on changes. An overall increased appropriation in FY 2017 will generate additional revenue locally, which in turn can yield a significant return on the investment and assist with addressing these needs.

Catastrophic Health Emergency Fund (CHEF)

Three years ago the agency testified that the Catastrophic Health Emergency Fund—which was created in 1988 for the sole purpose of meeting extraordinary medical costs associated with treatment of victims of disasters or catastrophic illnesses—used to run out of funding in June but now is able to fund cases through August thanks to increased funding.

Calvert Q16: Please update us on the status of this Fund.

Answer: The CHEF budget currently is able to reimburse CHEF cases through early September. The FY 2015 CHEF budget was \$51.5 million and reimbursed 1,531 cases.

Calvert Q17: We've all heard the saying throughout Indian country, "Don't get sick after June". Is there any truth to that anymore?

Answer: The phrase referenced in the question refers to CHEF funding. As a result of recent increases and improved business practices, the CHEF budget was sufficient to reimburse CHEF cases through early September in FY 2015. There is still CHEF unmet need but recent progress is a marked improvement from previous years. For example, the FY 2008 unmet need was \$27 million for 1,096 cases, while the FY 2015 unmet need was \$5.7 million for 90 cases.

Access to Quality Medical Providers

One of the significant barriers to reducing health disparities for American Indians and Alaska Natives (AI/ANs) is a lack of quality providers at IHS and Tribal facilities. Remote and rural locations; lower pay; lengthy hiring processes; and ill-equipped IHS facilities all affect the ability for providers to be recruited and retained within the IHS system. IHS has an estimated 46% turnover rate for their physicians every year, which leads to significant issues when building trust between patients and physicians and enriching care. Efforts that the agency has under taken to improve this clearly have not helped.

Calvert Q18: What is your target timeline between an applicant applying and job placement? How does this compare to that in the private sector?

Answer: The Office of Personnel Management (OPM) has an 80-day hiring model – from the date a recruit action is approved until the day a tentative offer is made. Although IHS strives to stay within this time frame, it is a model that should not restrict our ability to make careful and deliberate selections. It is important that IHS take the time to carefully review all applications, adjudicate Indian Preference and Veterans' Preference, interview, and contact references before making a selection for a position – especially those involving direct patient care. There can also be challenges with getting new hires settled if they are not from the community, given the remote locations of some IHS facilities.

Calvert Q19: What efforts are underway at the agency to promote retention of medical professionals?

Answer: Retention of health care providers begins with recruitment. The IHS uses a variety of tools to recruit and retain health care providers. Many health professionals leave school or post graduate training with substantial educational loan debt. The IHS Loan Repayment Program (LRP) allows IHS to attract individuals interested in working in Indian communities, but who would be unable to do so if there were not a way to pay off their educational loans. In FY 2015, over 1,200 IHS, Tribal and Urban Indian health care providers received IHS LRP funding. This included 832 new awards in FY 2015 and 379 health professionals beginning the second year of their FY 2014 LRP contract. In FY 2015, the Scholarship Program funded 334 health professions students that will provide clinical services for two to four years at Indian health sites once they complete their training. Both the LRP and Scholarship Program assist in retention of providers. While several years old, a study of 1,300 LRP recipients showed that the LRP recipient service commitment period average was 2.65 years. LRP recipients, on average, served 4.79 years beyond their service obligation for a total retention period of 7.44 years. A similar study of 1,500 scholarship recipients showed on average scholars received 2.21 years of Health Professions scholarship funding and they provided an average of 6.13 years of full-time clinical service at an Indian health program. On average, scholars served 3.92 years beyond their service commitment.

IHS facilities have existing authorities for other incentives to assist in the recruitment and retention of health professionals. These include Title 5 and Title 38 Physician and Dentist Pay and Special Salary Rates, the 3Rs (recruitment, retention and relocation bonuses), and use of service credit to increase annual leave. Title 38 Special Salary Rates have allowed IHS facilities to offer pay that is closer to what health care providers would receive in the private sector. Title

38 Physician and Dentist Pay allows IHS to pay physicians and physician specialists, such as orthopedic surgeons, market pay in addition to the pay and incentives offered under Title 5.

The IHS and Health Resources and Services Administration (HRSA) continue to work together to make the National Health Service Corps (NHSC) more accessible to fill health professional vacancies. Starting in 2010, the IHS and HRSA collaborated to expand the number of IHS and Tribal facilities designated as NHSC-approved sites. This allows these facilities to recruit and retain primary care providers by using NHSC scholarship and loan repayment incentives. As of February 2016, a total of 676 IHS, Tribal Clinics, and Urban Indian Health Clinics were approved as eligible sites for NHSC scholars and LRP applicants, compared to 494 approved sites as of 2011, and 60 at the end of 2010. There are currently 310 open positions at IHS and Tribal sites listed on the NHSC Jobs Center Website. As of February 2016, a total of 24 NHSC scholars and 395 NHSC loan repayment recipients were providing health care services to Indian communities.

IHS also has many resources for facility leadership as they proceed through the recruitment and retention process. Before hiring managers begin the hiring process they can access many materials on recruitment and retention either through the IHS online fulfillment center (<https://fulfill.graphictouch.net/ihs/ofs/>) or through IHS Retention website (www.ihs.gov/retention).

In the FY 2017 President's Budget, IHS is requesting two legislative proposals to enhance the impact of the IHS Scholarship and Loan Repayment programs. The proposal to Provide Indian Health Service Health Professions Scholarship Program and Health Professions Loan Repayment Program with a Tax Exemption seeks tax treatment to allow scholarship funds for qualified tuition and related expenses received under the IHS Health Professions Scholarships to be excluded from gross income and to allow participants in the IHS Loan Repayment Program to exclude from gross income student loan amounts that are forgiven by the IHS Loan Repayment program. The proposal to Meet Loan Repayment/Scholarship Service Obligations on a Half-Time Basis would permit both IHS scholarship and loan repayment recipients to fulfill service obligations through half-time clinical practice. Both of these legislative proposals would provide IHS with authority similar to that now available to the National Health Service Corps Loan Repayment and Scholarship Programs.

The IHS also is seeking the discretionary use of all Title 38 authorities under Part V, Chapter 74, "Veterans Health Administration – Personnel", that are primarily available to the Department of Veterans Affairs (DVA) to recruit and retain providers. The term "health care occupations" refers to positions, other than positions in the Senior Executive Service, that provide direct patient-care services or services incident to direct patient-care which would normally be covered by Title 5 of the United States Code. This authority would allow competitive annual leave accrual and the potential to hire qualified non-citizen health care providers.

Finally, the FY 2017 President's budget proposes the Behavioral Health Professions Expansion Fund providing \$10 million annually for two years to recruit 202 new mental health providers through the LRP and training 67 new mental health providers through the Scholarship program.

Calvert Q20: Does IHS include local Tribal leaders directly in the recruitment and retention of health professionals? If so, what has been the response of these leaders?

Answer: IHS works to encourage Tribal leaders and the local community to participate in the recruitment and retention of health professionals. Encouraging the Tribe to participate when a prospective provider visits for an interview can often provide a venue for the Tribe to introduce the local culture and activities while providing a welcoming environment. The IHS provides assistance to local Chief Executive Officers, Clinical Directors, Tribal Leaders and prospective new hires through the development of recruitment and retention materials. The newly developed Applicant Support Program Guide provides guidance to IHS and Tribal hiring officials on building relationships with prospective hires as they go through the hiring process. The *Planning Your Successful Transition* brochure and workbook help new hires and their family transition to a new culture and rural community. The Community Liaisons brochure focuses on preparing a Tribal community liaison to work with prospective employees and new hires and serve as a guide for sites to develop a new hire onboarding process, thereby promoting retention of these health care professionals. Many additional resources are available to IHS and Tribal leaders at the IHS Retention website at www.ihs.gov/retention.

Staffing of New Facilities

For the past several years, the committee has provided the full requested funding to staff newly constructed or renovated facilities. Over the same period, the committee has not provided the full requested funding for current services.

Calvert Q21: Is it accurate to say that failure to appropriate full requested funding for current services each year erodes the increases provided in prior years to staff newly constructed or renovated facilities?

Answer: Current services increases are requested to cover the types of cost increases that the IHS, Tribal, and Urban Indian health program cannot directly control, such as inflation. When additional funds are not appropriated to cover these costs, the programs must absorb them in their base operating budgets. Since new staffing increases are for operational budgets at new facilities, they are affected in the same way.

Operations and Maintenance

Calvert Q22: Based on industry standards for operations and annual maintenance of facilities, including quarters, what are the calculated funding needs for FY17 across the entire Indian Health Service system for operations and annual maintenance, separately, and how much funding is proposed in the budget?

Answer: Based on industry standards, approximately 4 percent of the current replacement value, which equates to \$177 million annually, is necessary in Maintenance & Improvement (M&I) funds to fully 'sustain' the facilities and fund a project pool for restoration/modernization/improvement projects to support program requirements. The proposed FY 2017 President's Budget for Maintenance & Improvement (M&I) requests a total of \$76.981 million.

However, many of the IHS and Tribal healthcare facilities were not designed to be utilized efficiently in the context of modern healthcare delivery and now operate at or beyond capacity. Ultimately an aggressive new construction program combined with a robust M&I funding is essential. When IHS replaces an older, obsolete hospital or clinic with a new facility, all deficiencies associated with the old facility are removed from the backlog and the new facility is designed and sized to support the healthcare needs of the community served.

Calvert Q23: How large is your deferred maintenance backlog?

Answer: The Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) for all IHS and reporting Tribal health care facilities as of October 1, 2015 is \$473 million. The physical condition of IHS-owned and many tribally-owned healthcare facilities is evaluated through routine observations by facilities personnel and by in-depth condition surveys. These observations and surveys identify facility, fire-life-safety, and program deficiencies, and are used to develop the BEMAR estimate.

Calvert Q24: How much funding is requested in FY17 for deferred maintenance? If the requested level is appropriated, will the backlog go up, down, or stay about the same?

Answer: Of the total \$76.981 million requested in the proposed FY 2017 President's Budget for Maintenance & Improvement (M&I), approximately \$8 million would be allocated based on the distribution formula for major Area and Tribal M&I projects to reduce the BEMAR deficiencies and to improve healthcare facilities to meet changing healthcare delivery needs.

Based on this funding level, and in some cases augmented with collections to address the greatest program needs, the BEMAR is estimated to increase slightly by 1-3%. Third-party collections can also be a source of maintenance and improvement at the Service Unit level. This is another reason that Medicaid expansion, and the resulting higher level of reimbursements, can also strengthen IHS.

Purchased/Referred Care

You testified that while funding for Purchased/Referred Care (PRC) has increased significantly in recent years, some Areas are still only able to afford Priority 1 Life or Limb Referrals, while other Areas (66% of IHS-operated facilities) are able to afford Priorities 2, 3, and 4.

Calvert Q25: Please explain in detail how PRC appropriations are distributed, and why PRC appropriations are not more evenly distributed according to priority levels of care.

Answer: The allocation of annual PRC funds are distributed from Headquarters to the Areas and from the Areas to the service unit/tribal programs according to a recurring historical base. Base funding is used to maintain existing levels of PRC funding and are recurring from the prior year. Current services increases compensate for natural population growth and inflation; this allocation is distributed proportionate to the program recurring base budgets. Program expansion increases are distributed by the PRC allocation formula established by the Contract Health Services

Allocation Work Group in FY 2001 and is only used when the IHS receives an increase above population growth and inflation.

The PRC allocation formula established by the Contract Health Services (CHS) Allocation Work Group in FY 2001 emphasizes three elements – (1) distribution based on user population, (2) regional costs of services and (3) access to care. User population is based on the number of active users that reside in a PRC service delivery area in the operating unit and is the most recent information available from the IHS National Data Warehouse. The regional costs of services takes into account the relative regional costs of inpatient and outpatient care and the purchase of medical care between different parts of the country. Access to care measures the access to hospitals operated by the IHS or tribes. The cost factors selected are the PRC referral locations for each operating unit (OU) using the nearest location to the operating unit. OUs without access to IHS or Tribal hospitals receive an additional adjustment factor in this portion of the formula. The user population, cost adjustment, and the access factor are multiplied together to obtain a numeric value for each OU. The values for each OU are added together for a total for the entire system and divided by the total to create a percentage of the total.

Calvert Q26: Is the IHS distribution of PRC dollars still equitable?

Answer: The distribution of new PRC funds for program expansion is intended to address equality among the IHS Areas and is supported by the Directors Workgroup on Improving PRC that is composed of Tribal representatives from each Area. It takes into account the historical base which is adjusted for population growth and inflation. The distribution formula has received tribal support since its inception, most recently by the Director's Workgroup on Improving PRC during their December 2015 meeting.

Calvert Q27: With Medicaid Expansion now operational in several States, how has that affected the ability to fund PRC referrals, and how does this ability vary across the system?

Answer: The expansion of Medicaid in selected States has increased the PRC buying power and allowed facilities in those States to fund beyond priority level I. Medicaid expansion and PRC funding have increased access to care for many IHS patients.

Calvert Q28: Does IHS track deferrals from year to year?

Answer: IHS annually tracks the total system-wide amount of PRC deferrals through a data call to Federal and Tribal programs. All Federal PRC programs are required to report annual deferrals and denials. Tribal programs are strongly encouraged to report this data to provide the most comprehensive compilation of unmet need in Indian Country. However, it is not mandatory for Tribes to report. In 2015, about 65 percent of Tribal PRC programs reported denied and deferred data.

Tracking individual deferrals is conducted at the local level. Deferrals occur when the Managed Care Committee determines a case is within current medical priority, but funds are insufficient to authorize. The Service Unit PRC staff track deferred services in the Contract Health Services Management Information System. If funds become available and the service is within medical

priority, the patient is notified and a referral is made. In some Areas, referrals are only valid for 30 days and the patient is required to obtain another referral for review. If a patient's medical condition changes, they may meet a higher medical priority authorized for payment.

Calvert Q29: How do we know if patients have been waiting on a certain service for many years?

Answer: The initial deferral date is in the deferred care application of the IHS software.

Calvert Q30: Do tribes have the ability to use PRC to buy plans for their members on the Health Insurance Marketplace through the PRC program? If so, what resources does IHS provide to these Tribes to facilitate this?

Answer: Tribes do have the ability to use PRC funding to purchase healthcare for their members through the Health Insurance Marketplace. Tribes who operate their own health care programs under a self-governance compact have the authority to re-budget the funds provided to them by the IHS, including re-budgeting Services funds to purchase insurance.

Calvert Q31: We have been hearing that the rule has been in various stages of the clearance process for the better part of a year. Can you update the committee on the status of this regulation? Is there anything holding it up?

Answer: The IHS published the final regulation on March 21, 2016, giving the Indian Health Service, Tribal and urban health programs the ability to cap payment rates at a "Medicare-like rate" to physician and other non-hospital providers and suppliers who provide services through the Purchased/Referred Care program. These rates will be known as Purchased/Referred Care rates. This rule becomes effective May 20, 2016.

Calvert Q32: How does IHS plan to enforce the regulation so that it adequately benefits Tribal communities in terms of increased purchased/referred care dollars?

Answer: The rates are self-implementing. Providers that submit claims for payment to a PRC program are deemed to have accepted the payment rates and methodologies adopted in the rule. PRC programs may also choose to negotiate with providers and the rule provides flexibility to negotiate pricing arrangements that are in the best interest of the Tribe and their PRC program.

Calvert Q33: What tracking mechanisms does IHS have planned to see if this regulation will be effective in reducing costs, and not restricting access to patient care?

Answer: We plan to continue to monitor the medical priority levels that are able to be covered with PRC funds in each Area. We also plan to monitor the number of providers that will not participate in the PRC rate program and what the impact is on access to care.

Staff Quarters

Calvert Q34: Please provide a table containing the following information, by IHS service unit: number of staff housing units available; number of staff housing units needed; and estimated average construction cost per unit.

Answer: The nation-wide estimated average construction unit cost is currently \$325,000.

Based on the information from the Areas, 298 replacement units + 803 new units are needed. Replacement units include the demolition of an existing unit that is beyond its useful life. As such, there is no net increase in the number of units at the site after construction of a replacement unit.

Area Office	Installation, City, State	# of Existing Units	Need - Replacement Units	Need - New Units	Total
Alaska	BARROW AK PHS IND HOSP	42	20	40	82
Alaska	DILLINGHAM AK KANAKANAK IHH	35	35	20	55
Alaska	NOME AK	1	1	40	41
Alaska	SITKA AK MT EDGE CUMBE IHS HOSP	10	10	20	30
Alaska	ST PAUL AK CLINIC	2		10	12
Albuquerque	DULCE NM PHS IND HEALTH CTR	5	1	3	8
Albuquerque	MESCALERO NM PHS IND HOSP	11	7	1	12
Albuquerque	SAN FIDEL NM ACOMITA PHS HOSP	40	0	0	40
Albuquerque	ZUNI NM PHS IND HOSP	30	2	4	34
Bemidji	NAYTAHWAUSH CLINIC	0		10	10
Billings	BROWNING MT PHS IND HOSP	60	14	15	75
Billings	CROW AGENCY MT PHS IND HOSP	37	2	4	41
Billings	FT WASHAKIE WY PHS INST SUPPT	6		2	8
Billings	HARLEM MT-FT BELNAP PHS HOSP	32	3		32
Billings	HAYS MT PHS IND HEALTH CTR	11	6		11
Billings	LAME DEER MT NO CHEYENNE HC	31	3	3	34
Billings	LODGE GRASS MT IND HEALTH CTR	10	1	1	11
Billings	POPLAR MT PHS INST SUPPORT	15	3	7	22
Billings	ROCKY BOY MT PHS INST SUPPORT	8		8	16
Billings	WOLF POINT PHS IND HEALTH	2		6	8
Great Plains	BELCOURT ND BURDICK MEM HOSP	50	1	43	93
Great Plains	EAGLE BUTTE SD CHEYENNE RVR HC	145			145
Great Plains	FORT THOMPSON SD PHS IHC	13		15	28
Great Plains	FORT TOTTEN ND PHS IHC	2	2	17	19
Great Plains	FORT YATES ND PHS IND HOSP	30	1	25	55
Great Plains	KYLE SD PHS IND HEALTH CTR	24		10	34
Great Plains	MCLAUGHLIN SD PHS IHC	4		6	10
Great Plains	NEW TOWN ND PHS IND HEALTH CTR	14		7	21
Great Plains	PINE RIDGE SD PHS IND HOSP	104		50	154
Great Plains	RAPID CITY SD PHS IND HOSP	2			2
Great Plains	ROSEBUD SD PHS IND HOSP	98	1	37	135
Great Plains	SISSETON SD WOODROW WILSON	64			64
Great Plains	WAGNER SD IHS HEALTH CTR	13		16	29
Great Plains	WANBLEE SD PHS IND HEALTH CTR	6		8	14

Area Office	Installation, City, State	# of Existing Units	Need - Replacement Units	Need - New Units	Total
Nashville	Lockport, NY			6	6
Nashville	Micmac, ME			6	6
Nashville	Shinnecock, NY			6	6
Navajo	CHINLE AZ PHS IND HOSP	264	32	97	361
Navajo	CROWNPOINT NM PHS IND HOSP	110	36	44	154
Navajo	Fort Defiance, Fort Defiance, AZ	307	7	15	322
Navajo	Fort Wingate Dental Clinic, Fort Wingate, NM			10	10
Navajo	HUERFANO NM (NAGEEZI) PHS IHC	9	9	9	18
Navajo	INSCRIPTION HOUSE AZ PHS IHC	21	0	10	31
Navajo	KAYENTA AZ NEW PHS IND HLTH CT	216	28	0	216
Navajo	MANY FARMS ROUGH ROCK AZ PHS	13	6	0	13
Navajo	PINON AZ HEALTH CENTER	62	0	8	70
Navajo	RED MESA AZ FOUR CORNERS REG	93	0	0	93
Navajo	SHIPROCK NM PHS INST SUPPORT	104	5	6	110
Navajo	SHONTO AZ	5	0	1	6
Navajo	Tohatchi Health Center, Tohatchi, NM			20	20
Navajo	TSAILE AZ PHS IND HOSP	27	0	98	125
Navajo	TUBA CITY AZ PHS IND HOSP	251	15	0	251
Navajo	GIMC, Gallup NM			10	10
Phoenix	FORT DUCHESNE UT PHS IHC	9			9
Phoenix	KEAMS CANYON AZ PHS INST SUPP	35	16		35
Phoenix	PARKER AZ PHS IND HOSP	17	1	1	18
Phoenix	PEACH SPRINGS AZ	6	6		6
Phoenix	SAN CARLOS AZ PHS IND HOSP	74			74
Phoenix	SUPAI CANYON AZ PHS IHS	3		3	6
Phoenix	WHITE RIVER AZ PHS IND HOSP	58			58
Portland	NEAH BAY WA PHS IND HEALTH CTR	9			9
Portland	NESPELEM, WA PHS IHC			6	6
Portland	WARM SPRINGS OR PHS IHC	3			3
Portland	WELLPINIT, WA IHS SU			5	5
Tucson	Santa Rosa Area (North portion of TO)	0		6	6
Tucson	SELLS AZ PHS IND HOSP	47	24	8	55
TOTAL		2,700	298	803	3,503

Calvert Q35: If the requested \$12 million is appropriated, how will IHS seek to maximize employment of local tribal construction workers?

Answer: IHS requires construction contractors to comply with Tribal Employment Rights Ordinances (TERO) of the respective tribe in its construction contracts. TERO ordinances typically require the contractor to hire local qualified tribal construction workers.

Calvert Q36: How will IHS ensure that architectural best practices are followed in order to maximize the likelihood that staff will want to live in these units and neighborhoods, rather than accept to live in them because there are no other options?

Answer: The Area programs view new staff quarters as a recruiting/retention asset. IHS ensures architectural best practices are followed through the extensive planning and source selection process, including a two phase site selection process with full environmental considerations, a thorough Program of Requirements Quarters (PORQ) planning document, an in depth cost estimate utilizing the IHS Facilities Budget Estimating System (FBES) application, and then a source selection acquisition process to ensure full competition in the selection of design and construction contractors that will design and construct the new staff quarters meeting all codes and standards, utilizing the latest design principals and high quality materials, and providing culturally appropriate features customized for the Tribe(s) benefitting from the new health care facility.

Contract Support Costs

Calvert Q37: Of the amounts requested for contract support costs for FY17, please provide a breakdown by current services and each program increase.

Answer: The proposed \$82 million increase to Contract Support Costs (CSC) in FY 2017 incorporates the current need, impacts of other proposed FY 2017 current services and program increases, and the additional need based on anticipated assumptions of programs previously operated by IHS that will transfer to tribes or tribal organizations. In 2014, IHS developed and implemented the use of the annual CSC calculator (ACC) tool that provides a consistent agency approach to calculate each tribe's CSC. Many factors influence the funding need such as the activities and funds transferred to a tribe, the tribe's current indirect costs rate, negotiated pass-throughs and exclusions, etc. Because the factors used to calculate each tribe's CSC change throughout the year, IHS updates each tribe's CSC on a regular basis to assure that each tribe's CSC is current. IHS also considers that the additional increase to Services appropriation generates an additional CSC need. All of the information is used to determine the amount of CSC funding needed for the IHS to fund all Tribes' CSC need. The IHS is in the process of preparing data showing the amounts by Tribe.

Great Plains Area

Calvert Q38: What are the specific findings by the Centers for Medicare and Medicaid Services (CMS) at each of the Omaha-Winnebago, Rosebud, and Pine Ridge service units, and how is each finding being corrected?

Answer: Numerous findings were documented by CMS surveyors at Omaha-Winnebago, Rosebud, and Pine Ridge Service Units. They generally encompass Governing Body function, Emergency Department processes and procedures, Nursing competencies, and the Environment of Care. All three facilities have worked in conjunction with the Great Plains Area to develop Corrective Action Plans that are currently being implemented.

Calvert Q39: What is IHS doing system-wide to ensure that similar problems are being prevented at every other IHS direct service unit?

Answer: IHS has established a Quality Consortium which is working toward standardization and improvement across IHS in areas such as, accreditation, governance, workforce development, data acquisition and analytics, and support systems. The Quality Consortium Executive Council is comprised of the IHS Area Directors and IHS Area Chief Medical Officers, who collectively represent the interests of all IHS Areas and their Service Units.

The IHS is developing a Strategic Framework and Sustainability Plan (SFSP) for the Great Plains Area.

The purpose of the SFSP is to provide a framework for discussion between IHS and the GPA Tribes on important health care service delivery issues in the GPA. The SFSP provides situational context and baseline data for the current challenges in the GPA and proposes nine issue-specific strategies to improve the efficiency and effectiveness of health care delivery in the GPA. The SFSP process can be tailored and used in other IHS Areas.

Calvert Q40: Do IHS-operated facilities tend to have more of these types of problems than tribally-operated facilities, and, if so, why?

Answer: IHS-operated facilities and Tribally-operated facilities face similar challenges in health care delivery to the AI/AN population especially in rural remote settings. IHS is not involved with Tribal facility accreditation and certification.

Calvert Q41: Does IHS measure average patient waiting times at each IHS-operated facility? How do these averages compare with tribally-operated facilities?

Answer: IHS does not measure average patient waiting times at all IHS operated facilities. Some IHS and Tribally operated facilities report average patient waiting times through the Improving Patient Care Program and have similar wait times. However, these reports are not mandatory or consistent.

Calvert Q42: When Committee staff visited the Rosebud service unit in January 2016, they were told by a representative of the tribe that the President of the Rosebud Sioux Tribal Council is also a member of the Board of Directors for the Rosebud Service Unit, but that he does not have equal access to the same information as other board members. Please confirm or clarify this claim, and justify the reason(s).

Answer: IHS is addressing this issue by providing weekly updates to Tribal leadership and including Tribal representatives on the governing board. However, IHS is prohibited from discussing patient and employee information protected by OPM regulations, HIPAA and the Privacy Act to non-federal personnel.

Calvert Q43: Please explain the roles and responsibilities of the Board of Directors for the Rosebud Service Unit.

Answer: The Governing Body has the authority and responsibility for the oversight and delivery of health care of the service unit. The Governing Body varies in structure but at a minimum, includes the Area Director and the Area Chief Medical Officer.

Calvert Q44: When Committee staff visited the Omaha-Winnebago, Rosebud, and Pine Ridge service units between October 2015 and January 2016, it was evident that none of the service units has a close working relationship with representatives of the tribes they serve. The tribes seem to be on the outside looking in when it comes to making decisions about major management challenges at each service unit. Is that a fair assessment?

Answer: The Great Plains Area Acting Director holds weekly calls with the three service units and Tribal leaders to allow for dialogue relating to quality of care and improvements with compliance. The local service unit CEOs meet regularly with their Tribal leadership, all the 3 service units have acting CEOs. It is the goal of the Area for all staff to establish a working relationship with all Tribal leaders throughout the Area.

Calvert Q45: Please describe any existing Federal policy that would hinder the ability of IHS-operated service unit leadership from holding regular closed-door meetings with leadership of the tribe(s) served by such facility, for the purpose of discussing and solving together the day-to-day, periodic, or unanticipated operational problems at such facility.

Answer: IHS is prohibited from discussing patient and employee information protected by OPM regulations, HIPAA and the Privacy Act. However, the Area Directors welcome regular contact with Tribal leaders to discuss generalized operational concerns as well as health priorities and other specific preferences which would include budgets, programs, services and staffing.

Calvert Q46: Please list which IHS-operated service units already have such meetings and describe the structure and function of such arrangements between the service unit and the tribe(s).

Answer: All Great Plains Area IHS operated service units have regular meetings with local Tribal leaders.

Calvert Q47: You testified that tribally-operated facilities are not bound by Federal pay schedules and therefore can pay providers more competitive salaries. Please clarify this comment and explain in detail.

Answer: The Tribes and private sector generally provide more flexible schedules, on-call pay, and higher salaries. IHS has mechanisms available to recruit providers such as, Title 38 pay, recruitment and retention bonuses, and relocation pay.

Calvert Q48: What Federal regulations, specifically, would need to be adjusted or waived so that IHS would no longer be limited in its ability to pay providers competitive salaries?

Answer: Federal regulations limiting pay and incentives for the General Services Schedule, Title 38 pay and commissioned corps pay would need to be adjusted for IHS to be

competitive. A new provision for higher Title 38 pay for Emergency Medicine physicians has been approved by HHS and this will improve our hiring process for EM physicians.

Calvert Q49: Please provide an example, if any, of any other Federal agency or program that has had such regulations waived.

Answer: None that IHS is aware of.

Calvert Q50: Because of the recruitment problem, IHS has had to rely on contractors (locum tenens) to provide care. It seems that many of the CMS citations had to do with specific actions by some of these contractors. Other than ending the contract, what legal recourse does IHS have when a contractor is negligible?

Answer: IHS can terminate the clinical privileges of the particular provider instead of terminating the contract. IHS can also reduce the scope of the clinical privileges to certain procedures or inform the locum tenens company that it does not want to use a particular provider anymore.

Calvert Q51: Is IHS pursuing such legal recourse relating to any of its facilities in the Great Plains Area?

Answer: IHS is not pursuing legal recourse relating to any of the facilities in the Great Plains Area.

Calvert Q52: Can an Indian Health Service provider be sued for malpractice? What legal recourse does an Indian Health Service patient or a relative have for malpractice-related matters?

Answer: IHS can be sued for provider malpractice. Patients can file a Federal Tort Claims Act claim. However, independent contractors and locum tenens are not covered by FTCA, therefore, patients could sue the independent contractor or locum tenens.

In general, the following people are protected from personal liability under the Federal Tort Claims Act when they are acting within their scopes of official duty: federal employees; tribal employees; Public Health Service officers; and certain contractors.

Mental Health

You testified that a goal of yours is to link the Substance Abuse and Mental Health Services Administration (SAMHSA) with your provision of care to their community action groups.

Calvert Q53: Please provide additional clarification and detail.

Answer: IHS works with SAMHSA to ensure that our healthcare system is aware of and working with SAMHSA funded grantees on issues impacting the health and well-being of American Indians and Alaska Natives. IHS and SAMHSA are coordinating on the FY 2016 increases for IHS' MSPI Gen-I and SAMHSA's Tribal Behavioral Health Grants and Garrett Lee Smith on the funding announcements and similar scoring criteria.

You testified that tribes got together to figure out where best to locate the Southern and Northern California Youth Regional Treatment Centers, based in part on the centers being accessible to each of the tribes. We are hearing about a related controversy in South Dakota pertaining to the location of the new behavioral health facility at the Rapid City Service Unit rather than at Pine Ridge.

Calvert Q54: Please explain the rationale for the selection of the Rapid City Service Unit, and the process by which the benefitting tribes should have been consulted and included in the decision-making.

Answer: Great Plains Area Tribal leadership expressed concerns surrounding the lack of available aftercare services for patients discharged from Rapid City referral hospitals, as well as nine psychiatric facilities in the Great Plains Area. As a result of these concerns, IHS held two consultation sessions to develop a plan for referrals, aftercare services, and tele-behavioral health services. The Great Plains Area reprogrammed \$2 million to develop an intensive outpatient program (IOP) for behavioral health in Rapid City to include on-site housing for those participating in the IOP to help address concerns about travel. The IHS considered other locations for the facility; however, Rapid City is attractive because it is centrally located between three reservations, the Cheyenne River Sioux, Pine Ridge, and Rosebud. Locating the facility on the Sioux San Hospital campus will allow the IHS to utilize clinical and operational support services from the Hospital. Additionally, the IHS will have access to utilities and other operational infrastructure and staff hiring may be easier. Projections have suggested that locating the facility outside of Rapid City may increase the cost of the project by as much as \$500,000 and could delay the opening of the facility.

Urban Health

Calvert Q55: How does the IHS formulate the dispensation of the urban line item appropriation?

Answer: Approximately 94 percent of the Urban Indian Health Program line is distributed to the programs in the form of contracts and grants, 4 percent is distributed in the form of Urban Indian Health Program support and technical assistance, and 2 percent is distributed for the IHS HQ Office of Urban Indian Health Programs administration and program oversight activities. The breakdown of UIHP fund categories for the 94 percent is as follows:

- \$31,515,410 = Indian Health Care Improvement Act Title V Contracts – 34 UIHP
- \$1,021,176 = Cooperative Agreement – National Council of Urban Indian Health
- \$8,326,505 = 4-in-1 Grant Program Awards – 33 UIHP
- \$1,137,000 = UIHP Strategic Planning – 34 UIHP
- \$3,416,000 = Proposed Increase
- **TOTAL OF CATEGORIES ABOVE = \$45,416,091 (94.3%)**
- **FY 2017 UIHP Budget = \$48,157,000**

Calvert Q56: Does the IHS consider the health needs of all AI/ANs when formulating their budget or just those who have been seen in the I/T/U system of care?

Answer: When the IHS develops its budget, the Agency considers many items, including the health needs of all American Indians and Alaska Natives. However, in developing the budget, the agency gives the most weight to the Tribal recommendations developed by the National Tribal Budget Formulation Workgroup through the annual budget consultation process. The annual budget consultation process starts at the service unit level and all Tribes are offered the opportunity to participate and provide input. The Workgroup, which consists of representatives from each IHS Area, develops a national recommendations based on proposals developed in each IHS Area.

Accurate Data for AI/AN Health

As this Committee makes funding decisions about the Indian Health Service, it is critical to understand the picture of health for Indian Country. With significant funding requests in the areas of behavioral health, alcohol and substance abuse, and basic patient care, it is the right of Congress to get a more accurate picture of why these dollars are needed. The last "Trends in Indian Health" document from 2014 uses much data from 2007-2009. This data is almost 10 years old, and is clearly not giving us a clear picture for the current state of Indian Health.

Calvert Q57: Does IHS have more recent data on the state of Indian Health? If not, what resources do you need so that we can get a better picture of health in Indian Country?

Answer: While the Trends data provides a helpful picture of Indian health, the length of time to obtain and publish data is subject to several levels of processing (further discussed below) required prior to IHS receipt of the data. IHS submits performance data for clinical measures (diabetes, immunizations, etc.) annually in the congressional justification. These measures provide annual updates to clinic program performance. IHS also publishes data reports on AI/AN health status, including Trends and Regional Differences. The last Trends (2007-2009) was published in 2014, the last Regional Differences (2005-2007) was published in 2012. The next Trends publication is expected in FY 2018 and the next Regional Differences in FY 2017.

AI/AN mortality statistics used in Trends and Regional Differences are derived from data provided to the IHS by Centers for Disease Control and Prevention (CDC), National Center for Health Statistics (NCHS). NCHS obtains death records for all U.S. residents from state health departments, based on information reported on official state death certificates. There is a roughly an eighteen-month time lag for IHS to obtain this data from NCHS during which time NCHS performs editing and analysis on fifty plus State data files. When IHS receives data from NCHS, it conducts an analysis using a methodology developed to correct for underreporting of AI/AN race on death certificates as well as editing a file to fit its data structure. Between editing and analysis, the process invariably takes six to nine months to complete. The total lag time for IHS is approximately three years. Any method to reduce time lag would be beneficial. IHS is currently performing a data system conversion to a new server with newer technology to aid in more speedy delivery of demographic data analysis. The conversion is expected to be completed during FY 2017. To produce more timely data IHS is preparing several Focus Reports on key topics: Behavioral Health/Alcohol and Substance Abuse, Injury, and Vision Care. Publications

are updated and posted on a rolling basis and are available for download at:
<http://www.ihs.gov/dps/publications>.

Calvert Q58: While national data is important, it might also be the case that federal investments in Indian health programs are working in some regions and not others. Is it possible to disaggregate data across the various IHS service areas?

Answer: IHS is able to disaggregate national data sets across areas. Two recently disseminated examples are Regional Differences in Indian Health 2012 (<http://1.usa.gov/1RPfAJ2>) and Tracking Regional Health Status Objectives, 2011 (<http://1.usa.gov/1YoDe1C>). IHS also monitors clinical GPRA measures by area for annual performance reporting purposes.

IHS Employee Settlement

On May 22, 2015 the IHS notified Tribes that the Indian Health Service had reached an agreement with employee unions in order to compensate them for wages earned but not recorded accurately. It was explained that most of the funding would largely come from third party collections at individual service units (among other sources). On July 29, an update letter was sent by IHS to the Tribes. We remain concerned about the amount of funds that would be used to pay the settlement. We also have concerns about what purpose the extra third party funds were intended to be used for at the service unit level when IHS is funded at only 59% of actual need, and why there was so much unexpended money available to pay the settlement.

Calvert Q59: Can IHS provide a detailed account about where the settlement funds came from, and the response each unit provided of what each service unit had intended the unobligated balances to be used for?

Answer: The \$80 million settlement is comprised of two categories of costs: 1) \$60 million for back pay and back pay-related costs and 2) \$20 million for administrative costs and attorney's fees.

The agency identified roughly \$10 million in expired appropriated (but not yet cancelled) funds to use for the back pay from the FY 2010-2014. These funds decreased the amount of third party collections needed to meet the settlement obligations. Therefore, the settlement was paid from third party collections (\$50 million) and expired appropriations (\$10 million).

The settlement covers FY 2005 through 2014. Under requirements of Federal appropriations, the agency must charge back pay owed to an employee to the fiscal year in which the pay was earned. Past year appropriated funds for FY 2005-2009 that could have been used to pay the overtime were no longer available (as past year unspent appropriations are cancelled after five fiscal years). Consequently, the only funds which could be used to pay the overtime for those years, and which were available now, are third party collections.

The claimants in the settlement are largely service unit employees, consistent with IHS's organizational structure in which approximately 90 percent of its workforce is at the service unit level. Therefore, the settlement payment is borne largely by the service units.

The unobligated third party collection balances would have been used by Service Units for increased services and staffing, including contract health care providers; facility expansion and improvement; new or replacement medical and information technology equipment; and medical supplies and pharmaceuticals.

IHS also paid \$20 million in administrative costs and attorney's fees from their FY 2015 appropriations. IHS reallocated \$20 million from the new staffing funding increase appropriation originally identified for the Kayenta Health Center in Kayenta, Arizona. The construction schedule for this facility experienced delays and the Health Center only required two months of funding or \$4 million of the \$24 million identified in the FY 2015 operating plan.

Special Diabetes Program for Indians

The FY 2017 Budget Request proposes permanent renewal of the Special Diabetes Program for Indians – a mandatory program. This is a great step forward to committing to a program that as shown effectiveness time and time again. However, the budget also proposes this permanency at \$150 million per year. This is the same level of funding the program has had since 2002. Inflation and population growth alone have made it very hard to operate on this type of budget.

Calvert Q60: If the Congress were to enact the proposal as envisioned by the FY 2017 budget, what would be the Agency's plan to ensure that Indian Country is getting the funds they need over time for this life saving program?

Answer: IHS recommends that SDPI continue as a grant program, even if it is permanently authorized. The grants mechanism works well for keeping programs focused on and accountable for the provision of diabetes prevention and treatment services. It is also an efficient system for distributing SDPI funds to I/T/U sites across the country. In addition, SDPI funding was increased to its current level of \$150 million/year beginning in FY 2004. This level of funding has resulted in significant improvements in diabetes-related health indicators. If SDPI is authorized permanently, IHS will work to ensure the appropriate infrastructure for the programs

Calvert Q61: The last report to Congress on the Special Diabetes Program for Indians is from 2011. For several years, we have heard that an updated report is coming, but has not yet arrived. Could you please provide us an update on why there hasn't been an updated report sent to Congress and when we might expect it?

Answer: The 2014 SDPI Report to Congress has been drafted, undergone extensive review and design work, and is now undergoing final review. IHS anticipates that this will occur in spring 2016.

Questions from Ms. McCollum**Purchased/Referred Care**

Over the past few years, this subcommittee has provided additional resources for Purchased and Referred Care. Before these increases, we heard stories of the Service running out of resources before the end of the fiscal year.

McCollum Q1: How has the increase in funding for Purchased and Referred Care changed the level of care that the IHS provides?

Answer: PRC funding increases have allowed all IHS Areas, with the exception of two, to fund above medical priority I. Billings and Navajo Areas are still limited to approving payment for medical priority level I.

McCollum Q2: Is the increase spread evenly across the regions or are there regions that still limit services to Level I, II or III?

Answer: The PRC allocation formula is used when IHS receives substantial increases and emphasizes three elements – (1) distribution based on user population, (2) regional costs of services and (3) access to care. The IHS and Tribes agree that this formula spreads the increases fairly across the Areas.

Ten of the IHS Areas regularly fund PRC at medical priority levels II and III.

McCollum Q3: How does the IHS coordinate purchased and referred care and integrate it with follow up care at the patient's local IHS facility?

Answer: Patient centered care is an important part of today's Indian health system. IHS providers refer patients for outside care, review reports and monitor status to ensure patients receive appropriate care from outside providers and follow-up care from within IHS.

McCollum Q4: Are there patient advocates or social workers that assist IHS patients when they need to leave the IHS system to receive care?

Answer: We have patient centered care and have case managers and benefit coordinators to assist the patient when they leave the IHS system to receive care.

McCollum Q5: How do you work with non-IHS providers to ensure that there is an appropriate facility to refer a patient to?

Answer: Outreach and education is done for non-IHS providers and this is an opportunity to develop relationships with community providers and know the appropriate facility to refer IHS patients for care.

Emergency Rooms

The incidents in the Great Plains region center on issues in the Emergency Departments. Staffing shortages, a reliance on short-term contractors to backfill those positions and a lack of continuity in care lead to an environment where patients fall through the cracks. In many locations, the emergency department is the only available healthcare option available after clinic hours. I think we can all agree, that if the Indian Health Service offers its patients a service, it ought to be high quality and appropriate for the population.

McCollum Q6: What is the caseload like in emergency departments? Are most of the cases emergencies?

Answer: There were 4367 emergency department visits throughout the seven GPA hospitals and 89% of these visits are identified as non-emergent from November 2014-November 2015.

McCollum Q7: Would extended urgent care clinic hours reduce the demand for emergency room services?

Answer: Extended Urgent Care clinic hours and extended Primary Care clinic hours have been demonstrated in the medical literature to reduce Emergency Department workload by taking on non-acute after-hours care needs for patients unable to pursue care during daytime work hours (8:00 AM to 5:00 PM).

McCollum Q8: Are there any examples where a tribe moved away from emergency rooms and moved towards a model of care with a more robust ambulatory care clinic?

Answer. The Alaska Native Medical Center is a campus with Level 2 trauma rated hospital and extensive Primary Care Clinic, all jointly operated by the Alaska Native Tribal Health Consortium and the Southcentral Foundation. They do very active triage and move non-emergency patients to an active acute care team clinic.

Medicare-Like Rates for Non-Hospital Purchased/Referred Care

In 2014, I introduced legislation that would require Medicare participating providers to also accept a Medicare-Like Rate for IHS purchased/referred care referral at a non-hospital site. As you know, this would greatly increase impact of the discretionary dollars we provide for PRC. We already have this authority IHS referrals if care is delivered at a hospital. Unfortunately, outside political forces have made it very difficult to get this legislation moving in Congress. IHS has also proposed a rule that would require a Medicare Like rate cap on these referrals.

McCollum Q9: We have been hearing that the rule has been in various stages of the clearance process for the better part of a year. Can you update the committee on the status of this regulation? Is there anything holding it up?

Answer: The IHS published the final regulation on March 21, 2016, giving the Indian Health Service, Tribal and urban health programs the ability to cap payment rates at a "Medicare-like

rate” to physician and other non-hospital providers and suppliers who provide services through the Purchased/Referred Care program. These rates will be known as Purchased/Referred Care rates. This rule becomes effective May 20, 2016.

McCollum Q10: How does IHS plan to enforce the regulation so that it adequately benefits Tribal communities in terms of increased purchased/referred care dollars?

Answer: The rates are self-implementing. Providers that submit claims for payment to a PRC program are deemed to have accepted the payment rates and methodologies adopted in the rule. PRC programs may also choose to negotiate with providers and the rule provides flexibility to negotiate pricing arrangements that are in the best interest of the Tribe and their PRC program.

McCollum Q11: What tracking mechanisms does IHS have planned to see if this regulation will be effective in reducing costs, and not restricting access to patient care?

Answer: We plan to continue to monitor the medical priority levels that able to be covered with PRC funds in each Area. We also plan to monitor the number of providers that will not participate in the PRC rate program and what the impact is on access to care.

Special Diabetes Program for Indians

The FY 2017 Budget Request proposes permanent renewal of the Special Diabetes Program for Indians – a mandatory program. This is a great step forward to committing to a program that as shown effectiveness time and time again. However, the budget also proposes this permanency at \$150 million per year. This is the same level of funding the program has had since 2002. Inflation and population growth alone have made it very hard to operate on this type of budget.

McCollum Q12: If the Congress were to enact the proposal as envisioned by the FY 2017 budget, what would be the Agency’s plan to ensure that Indian Country is getting the funds they need over time for this life saving program?

Answer: IHS recommends that SDPI continue as a grant program, even if it is permanently authorized. The grants mechanism works well for keeping programs focused on and accountable for the provision of diabetes prevention and treatment services. It is also an efficient system for distributing SDPI funds to I/T/U sites across the country. In addition, SDPI funding was increased to its current level of \$150 million/year beginning in FY 2004. This level of funding has resulted in significant improvements in diabetes-related health indicators. If SDPI is authorized permanently, IHS will work to ensure the appropriate infrastructure for the programs.

McCollum Q13: The last report to Congress on the Special Diabetes Program for Indians is from 2011. For several years, we have heard that an updated report is coming, but has not yet arrived. Could you please provide us an update on why there hasn’t been an updated report sent to Congress and when we might expect it?

Answer: The 2014 SDPI Report to Congress has been drafted, undergone extensive review and has undergone design work, and is now undergoing final review to be cleared for release. IHS anticipates that this will occur in spring 2016.

Youth Initiatives

This budget request includes additional funding to support tribal youth, particularly around mental and behavioral health issues.

McCollum Q14: Could you describe your request and how will these initiatives improve mental health outcomes for youth?

Answer: The \$15 million funding increase requested for Generation Indigenous (Gen-I) for the MSPi will be used to fund projects to hire additional behavioral health staff to focus on three primary objectives: increase positive youth development, resiliency, and self-sufficiency behaviors; promote family engagement; and implement activities for suicide and substance use prevention. The \$1.8 million Youth Pilot Project is to ensure that aftercare services exist when youth are discharged from inpatient treatment. Native youth face uphill battles when they return to the same environments after inpatient treatment. The funding will allow the Youth Regional Treatment Centers to pilot a program to offer culturally appropriate services during treatment and provide coordination for aftercare services after discharge to prevent readmissions and offer a chance at successful recovery. Examples of aftercare services: help for family members (one-on-one counseling; group therapy; educational programs on addiction/mental illness; transitional services (intensive outpatient treatment); and integrated mental health treatment for co-occurring disorders.

Nationally, there is a shortage of capacity for youth with psychiatric issues.

McCollum Q15: How does the agency manage this issue and what happens when a youth is placed far from her support system?

Answer: Being placed far from home communities is a huge challenge for Native youth and their families. IHS depends on the coordination of regional, tribal, and local resources to address aftercare services and provide additional resources to families who may not have the financial ability to travel long distances to participate in treatment services for their child. This is a challenge for IHS and tribal Youth Regional Treatment Centers (YRTCs). The FY 2017 budget includes a request for a pilot project to assist with the coordination of aftercare services for youth who are admitted for treatment of substance use disorders.

Often, due to lack of housing, youth are discharged from a therapeutic setting back into a traumatic environment.

McCollum Q16: What are the Service and other agencies doing to address the shortage of crisis housing for youth?

Answer: The Rapid City Intensive Outpatient Program for behavioral health services will provide housing options for patients, including youth, discharged from inpatient facilities or in need of intensive outpatient services. There is room for care givers while youth receive services. The same types of services are being explored in Pine Ridge. The need for intensive outpatient services is not unique to the Great Plains Area. However, the Pine Ridge suicide crisis where 20 individuals died from December 2014 to November 2015 required new types of services to ensure that transitional services exist for patients who have attempted suicide.

McCollum Q17: More broadly, how are the Service and other agencies working together on the Generation Indigenous initiative?

Answer: IHS participates with other HHS OPDIVs to coordinate Gen-I activities and participates on numerous workgroups, committees, and memoranda of agreement with other federal agencies to ensure the work for Native youth is integrated, resources are leveraged, and gaps are addressed.

IHS' proposal to increase the funding for the Gen I projects under the MSPI program is a grant program to allow Tribes, Tribal organizations, and Urban Indian organizations to apply for funds to focus on Native youth ages 8 to 24 years. The increased funding will allow projects to hire behavioral health providers who specialize in children, adolescents, and families to implement the three objectives under Gen-I: 1) promote positive youth development, resiliency, and self-sufficiency behaviors; 2) promote family engagement; and 3) prevent suicide and substance use among Native youth.

IHS works with the Center for Native American Youth, the National Indian Health Board, and the National Council of Urban Indian Health to include MSPI funded projects in the overall national Gen-I work.

IHS and SAMHSA are coordinating on the FY 2016 increase for IHS' MSPI Gen-I and SAMHSA's Tribal Behavioral Health Grants and Garrett Lee Smith on the funding announcements and similar scoring criteria.

Prescription Opiates

Throughout the country, we've seen many cases where heroin users first started out as prescription drug users often to treat chronic pain. While much needs to be done on the treatment side, we would be well-served by ensuring that prescription drug users never abuse prescription drugs. But there is a balance- patients with chronic pain need access to treatments that would allow them to have a higher quality of life.

McCollum Q18: Could you describe the Service's approach to pain management, particularly around opiates?

Answer: IHS has established a national IHS chronic non-cancer pain management policy to provide direction to its federal hospitals and clinics on proper pain management and appropriate opioid prescribing. IHS is working to review our policy against the newly released Centers for

Disease Control and Prevention (CDC) guidelines for primary care providers on safer, more effective care for patients with chronic pain. To assist providers with resources, IHS developed its pain management website <http://www.ihs.gov/painmanagement/>.

McCollum Q19: How does the service identify patients at risk of prescription drug abuse?

Answer: IHS providers participate in State Prescription Drug Monitoring Programs (PDMPs) and can currently query patient prescriptions in all states that contain Federal IHS facilities. PDMPs are beneficial to help identify and deter or prevent drug abuse and diversion. IHS has established a national IHS chronic non-cancer pain management policy to provide direction to its federal hospitals and clinics on proper pain management and appropriate opioid prescribing. IHS works with partners within and outside the Department of Health and Human Services, including the Behavioral Health Coordinating Council's Prescription Drug Abuse Working Group on prescription drug abuse. IHS has provided mandatory training for its providers on safe and appropriate prescribing practices. The first five-hour training course was held in February 2015. The training is now held on a regular basis. By April 2017, all IHS health care professionals who prescribe as part of their duties will have received the training at least once, with refresher courses at least every 3 years thereafter.

McCollum Q20: How does the IHS monitor prescription shopping and drug diversion?

Answer: IHS providers and dispensers have participated with State PDMPs efforts since 2008. PDMPs are beneficial to help identify and deter or prevent drug abuse and diversion. The IHS Chronic Non Cancer Pain Policy and IHS Pain Management website advocate use of chronic pain management agreements, expanded use of validated risk screening models, Urine Drug Screens, and multi-disciplinary medication safety committees to monitor patients at risk for drug diversion and opioid use disorders. PDMPs ensure fluid communication between dispensers providing controlled substances regardless if individual patients access medication through IHS or outside pharmacies. IHS pharmacists routinely query PDMPs prior to processing internal and external controlled substance prescriptions to identify individuals who may be prescription shopping.

THURSDAY, FEBRUARY 25, 2016.

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

WITNESS

CHRIS BAVASI, OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT. Good afternoon, and welcome to this oversight hearing on the Fiscal Year 2017 budget of the Office of Navajo and Hopi Indian Relocation.

The Relocation Program in Arizona impacts relatively few Americans, but to those it does impact, it does so deeply and in personal ways. Being told to relocate from one's home and pull up one's own roots can be devastating to a family and to any community no matter what incentives are offered to try and make the process easier.

Perhaps that is why the Navajo and Hopi land dispute has been called the greatest land title problem in the West, and perhaps that is why the Relocation Program, which was created to solve the problem, was expected to take 5 years and cost \$41 million. Well, it continues today 40 years later and \$568 million after its inception.

We are here today because this subcommittee has redoubled its efforts to succeed where so many good people before us have fallen short. In December of 2014 at the subcommittee's request, the inspector general of the Department of the Interior published a report concluding that the Office of Navajo and Hopi Indian Relocation cannot complete its work and cease operations in the near future without legislative changes and/or an increase in annual appropriations. The inspector general further pointed out that the increasing appropriations in the short term is a more cost effective strategy than continuing with the status quo. The report recommended that this subcommittee consider alternatives and determine an approach that will best control costs and complete the relocation mission in an acceptable, judicious, and timely manner.

In January 2015, members of this subcommittee visited the Hopi Tribe and the Navajo Nation to see the challenge firsthand and to hear from those most directly affected about what has gone right, and what has gone wrong, and where we should go from here. The message we heard was clear: do not leave until you finish the job.

In December 2015, the subcommittee more than doubled the Relocation Program's budget to \$15 million in Fiscal Year 2016 in order to reduce the backlog of 96 certified applicants awaiting relocation and to work through 200 additional known appeals. Just this week, the Office of Inspector General released its second subcommittee commissioned report which looked into the allegations made by relocated families that homes and infrastructure are incomplete or in need of repair.

The law says that the Office of Navajo and Hopi Indian Relocation shall cease to exist when the President determines that its functions have been fully discharged. In consultation with this subcommittee, the Agency has set a goal to complete its work so that the next President can be in a position to make such a determination by September 30th, 2018, about 2 and half years from now.

The Fiscal Year 2017 budget proposes a modest 3 percent increase to work with the Navajo Nation, the Bureau of Indian Affairs, and the other Federal departments and agencies to ensure that this program can be brought to a fair end, and to ensure that any responsibilities remaining after the closure will be transferred to the appropriate Federal or Navajo entities.

Clearly there is much to be done, and the devil is always in the details. Hopefully today's hearing will flush out some of those details and begin to put us on a path to completion as quickly as possible, but not a day faster than is needed to ensure that those affected by the program have been treated fairly, honorably, and with dignity.

This is not a partisan issue. It is a human issue. It is a nation-to-nation issue. It is an opportunity to make good on a commitment to shake hands and let deep wounds begin to heal.

My former boss, the late President Ronald Reagan, once said, "No government ever voluntarily reduces itself in size, so government programs once launched never disappear." Actually a government bureau is the nearest thing to eternal life we will ever see on this earth. If he were alive today, he may have to make at least one exception.

I am pleased to be joined today by my subcommittee colleagues as well as the senior leadership team of the Office of Navajo and Hopi Indian Relocation, executive director, Chris Bavasi, chief financial officer, Nancy Thomas, chief counsel, Larry Ruzow. Welcome. It is nice to see you all again. Thank you once again for your hospitality last year during the subcommittee's visit.

Before turning to you for your opening statement, allow me to ask my friend and colleague, the subcommittee's ranking member, Betty McCollum, for her opening remarks that she might wish to make. Ms. McCollum.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you very much, Mr. Chair. Good afternoon, Mr. Bavasi, and for those of you who are joining us here today for this hearing.

When Congress created the Office of Navajo and Hopi Indian Relocation in 1988, it did not envision that the office would be still be operating 28 years later, and that families would still be awaiting relocation. America has a responsibility to meet its commitments to the Navajo and Hopi people. We are here today to better understand the status of the relocation effort, and whether or not the office is prepared to start closeout of the relocation process and the office.

Throughout its history, as the Chairman pointed out, the relocation process has been very controversial, and there have been significant delays. The emotional toll on the families that we met with

is one that will be with me forever. The issue has been going on for too long, and now it is time to just resolve it.

In January of last year when the Chairman, and I, and others traveled to Arizona, we were able to meet with the families, both Navajo and Hopi tribal members, as well as the staff from the Office of Navajo and Hopi Indian Relocation. We listened carefully as they explained some of the challenges that were still out there that they were facing, and some of the opportunities and possibilities they saw in bringing this to closure. In recognition of what we learned on that trip, this committee, as the Chairman pointed out, doubled the appropriation Office of Navajo and Hopi Indian Relocation to \$15 million. This year, the budget request for the office maintains that higher level.

I am hopeful today that we will learn how that increase has been used to ensure that the relocations are done in a more expeditious manner, that they will continue to be done in an expeditious manner, and that the proper mechanisms are in place to address any responsibilities that may exist into the future. Clearly, Congress owes the Navajo and Hopi people the opportunity to bring closure to this issue so that they can start moving forward on working on their future. But we must do so in a proper fashion.

I look forward to your testimony. Mr. Chairman, I thank you for the time, but I also thank you for the trip that you arranged with the staff to go out there to work on this problem.

With that, I yield back.

Mr. CALVERT. Thank you. And, Mr. Bavasi, you are recognized.

OPENING REMARKS OF MR. BAVASI

Mr. BAVASI. Thank you, Mr. Chair. Chairman Calvert—
Voice. Microphone.

Mr. BAVASI. Chairman Calvert, Ranking Member McCollum, members of the subcommittee, and subcommittee staff, you have our detailed statement, but I would like to just say how pleased I am to have the opportunity to appear before the subcommittee today and discuss the Office of Navajo and Hopi Indian Relocation's Fiscal Year 2017 budget request with you, and answer any questions you may have.

Before discussing our 2017 budget request, I would like to express our gratitude to Chairman Calvert and the subcommittee for increasing our Fiscal Year 2016 appropriation so that we could begin to eliminate the backlog of Navajo households who have been certified as eligible for relocation benefits, but were awaiting appropriated funds so that the promise of a new home could become a reality. I also express the gratitude of some 60 Navajo households and families who will sign contracts this year for a new home, about 44 of whom would otherwise have been required to wait several years more before they could sign the contract for their new home.

As set forth in the President's budget, most of the money we are seeking in Fiscal Year 2017 is to provide housing and housing infrastructure for Navajos who have been certified as eligible for relocation homes. So, again, I would like to thank you for allowing me to come before you today.

[The statement of Mr. Bavasi follows:]

**STATEMENT OF CHRISTOPHER J. BAVASI
EXECUTIVE DIRECTOR, OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION ("ONHIR")
BEFORE THE SUBCOMMITTEE ON INTERIOR, ENVIRONMENT AND RELATED AGENCIES,
UNITED STATES HOUSE OF REPRESENTATIVES
CONCERNING THE FY 2017 BUDGET REQUEST OF ONHIR (2-25-2016)**

Chairman Calvert, Ranking Member McCollum, Members of the Subcommittee and Subcommittee staff:

I am pleased to have the opportunity to appear before the Subcommittee today and discuss ONHIR's FY 2017 budget request with you and answer any questions you may have.

I would like to introduce my colleagues who are here with me today. Nancy Thomas is a Certified Public Accountant and our long-time Chief Financial Officer and Larry Ruzow is our in-house Attorney.

Before discussing our FY 2017 budget request, I would like to express our gratitude to Chairman Calvert and the Subcommittee for increasing our FY 2016 appropriation so that we could begin to eliminate the backlog in Navajo households who have been certified as eligible for Relocation Benefits but were awaiting appropriated funds so that the promise of a new home could become a reality. I also express the gratitude of some sixty Navajo households and families who will have signed contracts this year for a new home—about forty-four of whom would otherwise have been required to wait several more years before they could sign the contract for their new home.

As set forth in the President's Budget, most of the money we are seeking for FY 2017 is to provide housing and housing infrastructure for Navajos who have been certified as eligible for relocation homes. This amounts to \$8,200,00 for the basic housing benefit and \$1,900,000 for housing infrastructure. (A note here—I refer to Navajos, because we have no Hopis who have been certified as eligible for Relocation Benefits and who are awaiting a Relocation Home—all Hopis have already been relocated.)

With respect to the basic housing benefit, we provide \$127,000 for households of three or less and \$133,000 for households of four or more. As provided in the Navajo—Hopi Settlement Act ("the Act") we have an annual consultation with HUD concerning these amounts. We will have another such consultation in April of this year. While it is an ongoing struggle to do so, we have been able to pay for Relocation Homes that meet the Act's requirement that such homes be "safe, decent and sanitary" with this housing benefit—and our infrastructure contribution. The average total cost for a new home is \$155,000. (As you know, the Navajo Nation does not charge for the value of the land for on-Reservation moves.) There are also smaller sums sought for such areas as contract services which support our housing program, our appeals process and our administrative work.

We are also seeking \$200,000 for range improvements in the 352,000 acre "New Lands" area which constitutes the Navajo Nation's Nahata Dziil Commission Governance (Chapter) -- an area that the Act provides that we administer.

We are seeking \$4,900,000 for operation of ONHIR—a figure that covers salaries and benefits for our 34 employees—a number that is not expected to increase and, in fact, will decrease as we complete our work. This amount covers my office, legal, human resources, our New Lands staff, and our Relocation Operations Branch which is responsible for assisting certified applicants in the counseling and home acquisition process and the ONHIR Administration.

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Here is a more detailed breakdown of our FY 2017 Budget Request:

Relocation Operations – The budget request of \$8,476,000 includes a decrease of \$179,000 from the FY2016 enacted level plus the carryover. This amount will allow us to carry out the following projects:

- a) Pay for the acquisition of replacement housing for 60 clients, including actual home construction or purchase of a home with all the costs of going through a title company, as well as reasonable searching and moving expenses. \$8,220,000.
- b) Provide range improvements on the New Lands, which would include maintenance activities for fences, corrals, wells, and windmills. \$200,000.
- c) Complete archaeological activities for sites that need to be cleared or examined for indirect impacts. \$20,000.
- d) Manage property on the New Lands, such as repairs for buildings acquired or constructed on the New Lands, and also pay for landfill usage fees. \$36,000.

Assistance Payments (Bonus) – The budget request of \$25,000 will allow ONHIR to complete all payments to clients who applied for benefits prior to July 7, 1985. The payments are made upon completion of the home building process or after the completion of an off-reservation home purchase.

Discretionary Funds – The budget request of \$2,010,000 includes an increase of \$270,000 from the FY2016 enacted level. This amount will allow us to proceed with the following items:

- a) Pay for the infrastructure costs on 60 homes. \$1,500,000.
- b) Provide deposits to both the Navajo Tribal Utility Authority and Indian Health Service to allow for electrical and water utility connections for new homes on the Navajo Reservation. \$470,000.
- c) Accept requests for small worthwhile projects. Examples would be requests by the Nahata Dził Chapter for specific chapter activities; requests from non-chapter groups that would like help with a small project; and title and escrow costs for the land selection process that should be completed in FY2017. \$40,000.

Operation of the Office – The budget request of \$4,920,000 includes an increase of \$155,000 over the FY2016 enacted level. About \$3,400,000 of this amount is for salaries and benefits for the 34 FTE that ONHIR currently maintains. The increase in FY2017 is to allow for additional legal costs to complete the appeals/certification process, as well as additional contracting costs for residential inspectors to help with the inspection of 60 homes.

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As we have discussed with your staff for several years and as we discussed last year when four members of the Subcommittee toured the Hopi Reservation and Navajo Nation and when we met with the Subcommittee last July, our Agency's focus is completing our work so the Agency can close by the end of FY 2018. We have had initial contacts with federal and Navajo entities to discuss our closing and transition activities. These contacts have included my appearance before the Navajo Nation Council's Naabik'iyati' Committee, (Committee of the Whole); meeting with the Nahata Dziil Commission Governance (the New Lands Chapter) and a discussion with Bureau of Indian Affairs Navajo Regional Director Sharon Pinto. In 2016, we will initiate detailed discussions and begin to develop formal transitions plans.

While most of our work will simply be completed by the end of FY 2018, we recognize—as we discussed with you last July—that some of our activities will need to be taken over by other entities—federal or Navajo for a limited period of time, while others, such as our New Lands range program may need to continue without an end date.

We are working to complete as many relocations as possible before our Agency closes. Since most Navajos want to relocate within the Navajo Nation, this means most families will need a homesite lease issued by the Navajo Nation—and, at least for now, a homesite lease approved and recorded by the BIA. When I met with the BIA Regional Director I reminded her of the importance of having homesite leases approved and recorded in a timely manner. Our Relocation Operations Branch staff regularly works with the Navajo Nation Land Department in an effort to have the Navajo homesite lease review and approval process expedited and recently attended and participated in a work session with the Navajo Nation Council's Resources and Development Committee (which has oversight responsibility for the Homesite Lease process) and the Navajo Nation Land Department.

While we try to honor the requests of certified applicants with respect to where they would like their relocation home constructed, if homesite leases cannot be processed on a timely basis, we may need to insist that certified applicants select locations where ONHIR has legal authority to control of the leasing process so that we complete as much of our work in this area as is possible. (This would include the New Lands and the Coalmine Mesa subdivision.)

We provide a two year warranty for new homes located in the Navajo Nation and when our Agency closes we will need to make arrangements to have an entity in place that will assist with warranty claims.

Our Administrative Appeal process is proceeding well and in the absence of any "game-changing" federal court decision, all pending Administrative Appeals should be heard and determined by the end of calendar 2017. Because of the six year federal statute of limitations (28 U.S.C. § 2415 (a)) for seeking federal district court review of Agency eligibility decisions, we will need a federal agency to assume

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responsibility for working with the Arizona United States Attorney's Office on Administrative Procedure Act cases not resolved or which are filed after ONHIR closes.

With respect to the New Lands, there will be a need for both a Navajo and a federal presence after ONHIR closes since such lands are held in trust by the United States for the Navajo Nation. The New Lands Range Program is a unique one that preserves and improves range conditions and productivity and enhances the income received by Navajo ranchers by maintaining high quality livestock, whose herd health is excellent and where detailed herd records are maintained—all of which mean that cattle from the New Lands command premium prices in the marketplace.

How to continue this fine program when we are gone will present challenges for us, for the Navajo Nation, for the local community—NDCG-- and for the BIA, but I am confident that if we work collaboratively we can come up with a solution.

We are working to keep the Padres Mesa Demonstration Ranch—which has become self-supporting—operating after ONHIR closes. We believe that the Ranch can expand its role in the Navajo Nation as a program which teaches responsible and profitable range management techniques which will benefit the whole Navajo Nation. At a recent meeting with Nahata Dził Commission Governance, the Navajo Nation Council Delegate who represents Nahata Dził and adjacent chapters expressed strong support for the continuation of the Padres Mesa Demonstration Ranch after ONHIR closes its doors.

We are also working cooperatively with the Navajo Nation on completing the land selection/land into trust program authorized by the Act.

Completing our work is an exciting opportunity, but with the continuing support from you, we are confident that it can be accomplished in a way that brings credit to the United States, the Congress, ONHIR and the people we all serve.

We are happy to answer any question the Subcommittee may have.

Christopher J. Bavasi is a member of the Senior Executive Service and has been the Executive Director of the Office of Navajo and Hopi Relocation since 1985. Prior, Mr. Bavasi was the Executive Director of the Northern Arizona Council of Governments, Director of the Northern Arizona Police Academy and a Detective with the Flagstaff Police Department.

Mr. Bavasi has a bachelor's and honorary doctorate degrees from Northern Arizona University. He served as Mayor of Flagstaff, Arizona and President of the Flagstaff Unified School District's governing board.

Mr. Bavasi's community service includes the chairmanship of the boards of Northern Arizona Healthcare, Flagstaff Medical Center, Northern Arizona University Foundation, Peaks Senior Living, Coconino Community College Foundation, Flagstaff YMCA, Boys and Girls Club of Flagstaff, Big Brothers and Big Sisters of Flagstaff, United Way of Northern Arizona, Museum of Northern Arizona, Catholic Charities of Northern Arizona, Arizona Criminal Justice Commission, League of Arizona Cities and Towns, Flagstaff Kiwanis Club, American Cancer Society of Flagstaff and American Heart Association of Flagstaff.

Honors Mr. Bavasi has received include: Flagstaff Citizen of the Year, Northern Arizona University Distinguished Alumnus, Arizona Board of Regents Outstanding Service Award, Presidential Meritorious Executive Recognition and Presidential Distinguished Executive Recognition.

Mr. Bavasi is married with three daughters.

CLOSE-OUT DATE FOR THE RELOCATION PROGRAM

Mr. CALVERT. Thank you. We will get right into it. The Department of the Interior's inspector general recommends that Congress legislate a sunset date for the Relocation Program, and provide the requisite level of appropriations to meet the Agency's statutory obligations by that date. You testified that the Agency is focused on completing its work so that the next President can make a determination on whether to close at the end of Fiscal Year 2018.

The question is, since current law puts the decision in the President's hands, is there a reason why it still may be necessary for Congress to legislate a sunset date?

Mr. BAVASI. Well, I think by doing that you set a sense of urgency that perhaps is not there today.

Mr. CALVERT. Does a determination that the Agency's functions have been fully discharged mean that the Federal government's work is done?

Mr. BAVASI. Not necessarily. It means that work of the office is done. However, there may be other areas the Federal government might have to take on.

Mr. CALVERT. Much of the appeal and relocation process is out of the Agency's hands. Can a determination be made that the Agency's functions have been fully discharged if a case is pending before the court or not everyone has been relocated?

Mr. BAVASI. We think that it can. Those responsibilities can be handled by others.

Mr. CALVERT. Okay. We all know that failing to plan is the same as planning to fail. My sense is that you are still very early in the closeout and transition planning process, and that in order to meet your target date you will have to pick up that pace considerably and immediately. Is that a fair assessment?

Mr. BAVASI. I think it is fair, but I would also like to remind you that this is not new to us, meaning that this whole notion of transition has been in play for a very long time. We thought actually prior to the Noller Herbert case that we would be going out of business a number of years ago.

So we were working a number of years ago now with BIA, with the Navajo Nation, and the chapter, to develop a transition plan. That did not occur, as you know, and so this, again, is not new to us. We have a lot of experience in this, and so we have already started meeting with the stakeholders to reinstitute that transition plan.

QUARTERLY STATUS REPORTS

Mr. CALVERT. Yeah. Will you commit to providing the committee with a quarterly status report from this point forward to see where we are at and where we are going?

Mr. BAVASI. Sure. Absolutely.

Mr. CALVERT. The law says that your Agency may call upon any other Federal agency for assistance, and that any failure to provide reasonable assistance must be reported to Congress. So that would be helpful if going forward we continue to communicate and find out how we are doing. Our intent is to close this out in Fiscal Year

2018, so we want to make sure that there is no reason for that not to happen.

Mr. BAVASI. We agree.

Mr. CALVERT. Okay. Ms. McCollum, you are recognized.

Ms. MCCOLLUM. Thank you, Mr. Chair. I concur with the request that the chair is making. I think a quarterly report will be very helpful.

TRANSFERS TO OTHER FEDERAL AGENCIES

I want to raise something that happened in my office yesterday. Yesterday I was sitting down with some tribal leaders from the Navajo Nation, and we were discussing the water settlement and all the great potential and everything that they have moving forward on their community development. I was surprised to hear that as they are moving forward with their business to serve those families, that ONHIR has been working with them on the role of business capacity leases.

In your testimony, which is not numbered, but it is the last page that I have, you have a statement to continue this fine program with the livestock that you are working on. "When we are gone it will present challenges for us, the Navajo Nation, and for the local community." You go on to add to that the Bureau of Indian Affairs. But you are confident that you can collaboratively come up with a solution.

Are you taking on some new responsibilities with the understanding or discussions with other agencies that responsibilities are going to be transferred to them, and that they are part of the discussion? Can you explain to me, besides the housing, how you are prepared to close out other things? We just do not want the housing closed out. We need to have everything closed and transferred.

Mr. BAVASI. Absolutely. The only other thing that we are, I think what you are referring to, are the new lands—

Ms. MCCOLLUM. Yes.

Mr. BAVASI [continuing]. And some of the programs on the new lands, like the demonstration ranch and the Range Maintenance and Management Program. These subjects are not foreign to the Navajo Nation, or the chapter, or BIA. And so, we have been in discussions with all of them about how to transition these programs to them, and we will be coming forward with that transition plan.

Ms. MCCOLLUM. Well, Mr. Chair, I think we are going to need to know how much that costs because those are going to be costs incurred by BIA now. We have been very successful working together in a nonpartisan fashion to meet some of the needs of the Bureau of Indian Affairs. Education and health we just discussed earlier today. I do not know how significant the amount is or what the expectation is going to be for BIA, and for this committee, to have a new line item. I do not know if there is going to be authorization authority that is going to be required to transfer those funds or not.

Explain to us how this is going to work and how you are going to account for the dollars in the transfer.

Mr. BAVASI. Not all of the things I just mentioned have costs associated with them. For instance, the demonstration ranch is self-

supporting, and we believe that it has the potential to be a revenue generator for the area. And so, that should not have any costs associated with it when it transfers. And we are not certain where that would transfer to, whether it be the Navajo Nation, the chapter, or they have developed a separate corporation out there made up of what they call the 14 Rs, the 14 range units. And so, that is a possibility.

The maintenance program and the Well Maintenance, Fencing Maintenance Program and the Range Management Program will have a cost associated with it, which I can give you the exact numbers. Not today, but I can certainly get to you what it costs on an annual basis. And the question is whether or not the chapter and/or, BIA, or the Nation, whoever ends up doing those things, wants to continue it at the same level that we do. But I can certainly get you those numbers.

Mr. CALVERT. That would be helpful if you could submit that for the record.

[The information follows:]

ANNUAL RANGE MANAGEMENT COSTS

The yearly costs to carry out range management activities on the New Lands area held in trust by ONHIR area about \$810,000—\$610,000 in salaries for 10 employees, and \$200,000 in materials and supplies.

Ms. MCCOLLUM. Mr. Chairman, I think we need to have those numbers. We need to understand if there were leases, contracts, memorandums of understanding—whatever was incurred with your office—that are going to be transferring over. If those are considered legal instruments, what the responsibility is, and whether or not it changes with the resettlement moving forward. As you described to us and the committee, in the past when you thought you had noticed everybody to the very best of your intentions, you ended up in court, and then you had to re-notice folks again for the relocation.

We need to head off any potential misunderstandings, any potential miscommunication, and clearly know what these costs are and what responsibilities are being transferred over to other agencies. That is very important for this committee to have, because, in essence, we are closing out the housing relocation, but we are still continuing some of the other issues.

You said that the Navajo Nation might want to continue the ranch. It is self-sufficient, and it is done. But we need to know that that is a mutual understanding, and there has been consultation with the Navajo Nation on that, and that it is clearly spelled out.

Mr. BAVASI. I am not sure I could agree with you more on all of those things. That would be part of the transition plan that we will be getting to you hopefully on more than a quarterly basis.

Ms. MCCOLLUM. Well, Mr. Chairman, I think it could have been some of the discussion earlier with us on the transfer. Thank you.

Mr. CALVERT. I thank the gentlelady. Mr. Cole.

Mr. COLE. Thank you very much, Mr. Chairman. And, again, I want to thank you, and the Ranking Member, and your predecessor, Mr. Simpson, for really working hard to try and bring this program to an appropriate and successful conclusion. It has not been an easy task obviously, and you are to be commended.

And I want to tell our friends, we appreciate your help and your hospitality when we were out there. It was an eye-opening experience, and I felt like we got a lot of candid advice and a lot of history. I was very pleased with the level of cooperation we received.

I am going to have a series of questions, but I am going to posit something. My big fear, and I suspect this committee's big fear, is if we get to the end of 2018, and we have doubled the budget essentially, that just means we are going to have another 40 years with a higher budget. That is how I would describe failure, and there is some danger of that. I do not point fingers at anybody here, but given the history of the program, there is every reason to believe that could happen. It cannot be an "in-perpetuity housing program." We have housing programs.

STATUS UPDATE

So if you will, give me an idea of where we are in the process, the number of families that are eligible, if you will, the scale of the task in front of you, and how fast are we proceeding in getting people appropriately taken care of and relocated.

Mr. BAVASI. We have at the moment 92 families that need relocation benefits. There are at this moment about 185, 190 appeals. And in the past, the success rate ratio for an appeal has been about 10 percent. So we are thinking another 20 families perhaps, so we are talking a little over hundred families that will need benefits. And so, we should be done. We will have 60 this year. We will have 60 contracts signed this year, and should be able to finish the rest by 9/30/18.

HOUSING PROGRAM

Mr. COLE. That is good. Now, when we had the genuine pleasure of visiting the area, we visited Navajo Community East Mill and Hopi Spider Mound. In those areas there were houses that had been built that were deficient. So it is one thing to take care of people that have been on a waiting list and moving along there.

Tell me about where we are with folks that were given houses in good faith, and those houses were not appropriately built. Where are we in resolving that? Are we going to have to go back and rebuild? Can things be repaired, and how big a problem is that going to be?

Mr. BAVASI. Well, that is a difficult question.

Mr. COLE. It was meant to be. [Laughter.]

Mr. BAVASI. Yeah, meaning that I do not know how difficult it is going to be for you, but our program is not a perpetual housing program. Our program was intended to be over much more quickly than it is, and I think we all know the variety of reasons why it has not been completed. But one is that this is not a forced relocation program, so people frequently take their time to get through it, number one. Number two, probably more importantly, when this was first discussed in Congress, it was planned to be about 1,000 families. This turned out to be over 3,800 families that have been certified, so that is one reason it has taken longer than it needs to.

But we have the mechanism in place to build the houses and build them quickly as long as we have the appropriations, and

thank you for that. And so, we should be able to have this done without any problem at all in the time frame we said.

Mr. COLE. Well, is there any provision or concern, again, you know, we certainly heard complaints about this house was appropriately built, that sort of thing. Number one, is that true. There is a big difference between something that has not been cared for appropriately and something that was built defectively. So I know you have to sort through that.

I am interested in how big a problem that is, and how we resolve that portion so that insofar as we can, people that think they were given homes that were poorly built or poorly sided, whether there is legitimacy to that complaint, and that they are resolved.

Mr. BAVASI. Any complaint we get, regardless of what it is or how old the home is, we will go out and inspect without question. If it is a latent defect, meaning a defect we did not spot when we were building the home, we will fix it immediately. If it is under warranty we will fix it immediately.

Generally that is not the case. Generally for an older home, it is what we refer to as homeowner maintenance issues. And, you know, folks are expected to maintain their homes like anyone else would. And so, all the houses that we have built in my tenure there have met all international codes. So there has not been, at least in the evidence that I am aware of, of faulty construction.

Mr. COLE. Yeah, and I do not think there has been in terms of during your tenure and the people that were there. There were certainly some concerns that pre-date you. It is a problem you inherited, so I do not want you to think this was directed at you or any of your current employees. But we did see some instances.

ELIGIBILITY APPEALS PROCESS

I am curious as to how those cases get resolved. Is there an appeal process for that, you know, so that there is some adjudication of this, if you will?

Mr. BAVASI. Well, when they come to us, that is what I was saying. I was not trying to be flip. I am not sure what problem you may have because when they come to us, you come to us with a problem, we immediately inspect it.

Mr. COLE. Okay.

Mr. BAVASI. If we are responsible, we will fix it immediately. If not, well then, we will tell you exactly what has caused the problem, what you need to fix the problem, and that is the end of our responsibility.

Mr. COLE. Okay. You have been generous with your time, and I will finish with this question about the appeals process. As I understand it, it will last beyond your tenure, assuming we reach the guidelines or the target dates that we are collectively shooting for here.

Tell me how that works, how anything, for which there is a legitimate appeal gets resolved once the office itself goes out of existence. Who would be responsible for, if a judgment is rendered, paying that judgment? I think that is one of Ms. McCollum's concerns, too. We do not want to just end the office. We do want to discharge the functions fairly and appropriately, and we want to make sure

if there is some after math, that it gets taken care of and we do indeed end the effort.

Mr. BAVASI. Our plan is to have all of the homes built by the time we are out of business, to have everyone have gone through the appeals process by the time we are finished. However, you are correct, there will be a 6-month—excuse me—6-year time that they can appeal to the Federal courts that determination. And as we have discussed in the past, that is going to be some kind of responsibility, and we have not quite figured that one out yet, but it is going to be Justice Department and the Department of the Interior. I am not sure how that is going to work. And we have also talked about the possibility of having some kind of a trust fund set up to accommodate if there were to be—

JUDGMENT FUND

Mr. COLE. Well, just out of curiosity, and I will direct this to the staff to my colleagues, is this something like the judgment fund or something would be in a position, because that is a very substantial fund, and it is a pretty well-established method as to how we handle those. And what you do not want to leave are people hanging out there, or forcing BIA or somebody else to pick up some obligation that they had not anticipated which diverts funds from someplace else.

Mr. CALVERT. If the gentleman would yield, I am hopeful that as we go through this process over the next 2½ years, and the questions are legitimate questions that are being asked, are addressed early, one, get that out there. And I am sure even after this offices closes that we probably will have to move some money over to the BIA to carry on some of these legacy responsibilities.

You know, we were out there at Spider Mill, and it seemed to me just looking at it from my old job as a builder that there were some subsidence issues around there, and there may be some legitimate concern over and above, you know, immediate construction remedies that you do as a normal course of business. But that may or may not be the case, I am not sure. We will leave that to the experts to decide.

Voice. East Mill, sir.

Mr. CALVERT. What is that?

Voice. East Mill, not Spider Mill.

Mr. CALVERT. Excuse me, East Mill. I think we need to make sure we have a budget when we conclude this where we do not delay concluding your job, but move that responsibility to someone else where we can make sure that happens. We need to work with you to make sure we have sufficient funds to move over to the BIA, to make sure whether the judgment fund is involved, and all the rest of it so we can answer those questions when we move along.

Mr. COLE. I yield back my time. Thank you, Mr. Chairman.

Ms. MCCOLLUM. Mr. Chair, I am not an attorney, but it has been my experience here in Congress that if things are clearly settled in a court, then it goes to the judgment fund. That is why I think we need to know what all these legal documents are going to look like and what they are. We need to have the Administration's attorneys look at it, and the congressional staff review and look at it, so we know exactly what we are getting into.

HOUSING CONDITIONS: FOUNDATION ISSUES

And I concur with both gentlemen that some of the things that we saw appear to be the fault of contractors. Then you get into the issue of warranties. I warranty this or I warranty that, or it is an act of God. But one of the things that I found really troubling was that we were in this area where all the foundations were cracking because there was a helium deposit underneath that. What has been the resolution on that? People were asking for that to be checked out. What was the final resolution on that area?

Mr. BAVASI. Well, that is East Mill, and I do not believe that it is a helium deposit issue, but I am not an expert on that. But it is an expansive soil issue. And what we have done there is we have gone into any house that shows any problems, we have gone in and fixed the home or replaced it. We have replaced four homes, and as they come along, if there were to be another home that needs to be replaced, we would certainly do that.

Mr. CALVERT. If the gentlelady would yield, are you still building homes in that area?

Mr. BAVASI. No. No, we are not.

Mr. CALVERT. Okay.

Ms. MCCOLLUM. Thank you for clarifying that. We are done building homes there. But any time you have a soil condition, soil conditions can, change at the bat of an eyelash. If you already know you have a poor soil condition there, that goes back to people inspecting, and you said everything was state-of-the-art. Who is overseeing the inspection process, the soil siting process, all those kinds of things? What code are you using? Are you using Federal code, State code?

Mr. BAVASI. It is international residential codes (IRCs), and we do all of the inspection, and we bring in outside contractors if we need to. In the case of East Mill, we had some helical piers put in, and so we had outside contractors do that.

CONTRACTING AND INSPECTION PROCEDURES

Ms. MCCOLLUM. Well, I just hope that we are not being too naive in who we are having do the contracting. I know it goes out to bidding, and bidding is important. All of us want to respect the taxpayers' dollars. But some of the things that we have seen in schools and elsewhere have not given us confidence, and this is not to you personally.

Mr. BAVASI. Sure.

Ms. MCCOLLUM. It has not given us great confidence that inspection procedures have been carried out to their full benefit. Sometimes the lowest bid is the best, but we really need make sure that the inspection process is done properly. Soil siting at the school that we saw, which has nothing to do with the project that we are talking about today, but some of the contract work that we saw at that school was troubling. When I can see things, and Mr. Calvert, who has a lot more experience, and Mr. Cole are even seeing more things—things that were avoidable that the taxpayers are having to go back and do again.

If there is any help you need in making sure that, even if we have to double inspect, we need to get this right. I know that is

what you want to do, and I have every confidence you will do that. But if you need any further help from us on that because you feel your hands are tied in some way, please do not hesitate to ask us for our help.

Mr. BAVASI. Thank you. I appreciate that.

RELOCATION PROCESS

Mr. CALVERT. Just a couple of other questions on this relocation process. Does your Agency have the legal authority to choose an eligible recipient home site for them?

Mr. BAVASI. We do.

Mr. CALVERT. How many times has your Agency exercised that authority?

Mr. BAVASI. None that I am aware of.

Mr. CALVERT. With your increased workload and target closeout date, does your Agency intend to exercise that authority, if necessary, to meet your deadlines? If not, what are your alternatives?

Mr. BAVASI. Well, I suppose we will if we need to. We are hoping that is not the case. Of all of the folks who are certified eligible at the moment, as I mentioned earlier, there are only 11 that have not been forthcoming and worked cooperatively with us. And they have all been notified that they needed to respond to us more quickly or we would administratively close the case.

Mr. CALVERT. This is important because we do want to come back here in a year or 2 years and find out that there is a person that stops this whole process. That is what happened before. So that is something that is important because, again, I want to see this close out at the end of 2018.

Any other questions?

Voice. Mr. Joyce.

Mr. CALVERT. Mr. Joyce.

Mr. JOYCE. No, sir.

Mr. CALVERT. Ms. McCollum.

Ms. MCCOLLUM. No.

Mr. CALVERT. Okay, fine. I appreciate your coming out from Arizona. We appreciate your being here. Thank you so much. And this hearing is adjourned.

Mr. BAVASI. Thank you for your help.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Budget Hearing: Office of Navajo and Hopi Indian Relocation
February 25, 2016

Questions for the Record – Executive Director of the Office of Navajo and Hopi Indian Relocation

Questions from Mr. Calvert:

Close-out Date

The Department of the Interior's Inspector General recommends that Congress legislate a sunset date for the relocation program, and provide the requisite level of appropriations to meet the Agency's statutory obligations by that date. You testified that the Agency is focused on completing its work so that the next President can make a determination of whether to close at the end of FY 2018.

Calvert Q1: Since current law puts the decision in the President's hands, is there a reason why it still may be necessary for Congress to legislate a sunset date?

Answer: The establishment of a sunset date helps give a sense of urgency both to ONHIR as well as to the other entities involved in ONHIR's closing such as Federal departments and agencies; the Navajo Nation (and possibly the Hopi Tribe) and the Nahata Dził Commission Governance (New Lands Chapter). If the next President sets a sunset date that may be almost as effective in creating the needed sense of urgency.

Calvert Q2: Does a determination that the Agency's functions have been fully discharged mean that the Federal government's work is done?

Answer: It would mean that for relocation-related matters the Federal government's work is done or that appropriate arrangements have been made to wind up activities and that such winding up does not require the Agency's continued existence.

For aspects of the Agency's work which, for other areas of the Navajo Nation are the responsibility of the BIA (such as the role of the Federal Land Manager with respect to Navajo Trust Land), the concept of the work being completed is not applicable. For such **aspects**, however, the Agency does not need to continue in existence; rather its work would devolve on the BIA.

Calvert Q3: Much of the appeal and relocation process is out of the Agency's hands. Can a determination be made that the Agency's functions have been fully discharged, if a case is pending before the Court, or not everyone has been relocated?

Answer: Given the six year Federal Statute of Limitations for filing an Administrative Procedure Act Appeal in the Federal Courts, it does not make sense to continue ONHIR's existence because a pending Federal Case might require some post-decision action by the Federal Government. We think the BIA should be able to handle the consequences of virtually any Federal Court decision involving pre-sunset activities of ONHIR, though some contingency funding for the BIA to do this would be appropriate.

We anticipate that virtually all certified Applicants will be relocated by the time the Agency sunsets. It does not make economic sense to keep the Agency open to deal with the likely few remaining people who have not been relocated. Either the BIA or, possibly, the Navajo Nation should be able to complete the relocation process for such individuals.

Planning

We all know that failing to plan is the same as planning to fail. My sense is that you are still very early in the close-out and transition planning process, and that in order to meet your target date, you will have to pick up the pace considerably and immediately.

Calvert Q4: Is that a fair assessment?

Answer: We are early in the process. We do have the benefit of our activities during the 2005-2008 period when we anticipated completing our work in 2008. (Before the Federal Court *Herbert* decision.) So to some extent we need to resume our transition planning process, rather than start it for the first time.

Calvert Q5: Will you commit to providing this subcommittee with written quarterly status reports from this point forward?

Answer: Yes.

The law says that your Agency may call upon any other Federal agency for assistance, and that any failure to provide reasonable assistance must be reported to Congress.

Calvert Q6: Are you satisfied with the level of cooperation by other Federal agencies, in particular the Department of the Interior and the Department of Justice?

Answer: We are satisfied by the responses received to date and we would address the cooperation question in the quarterly reports that we will be providing the Subcommittee.

Eligibility Appeals Process

The Navajo-Hopi Legal Services Program is under the authority of the Navajo Nation, and its purpose is to assist Navajo applicants through the relocation process.

Calvert Q7: What steps are you taking to work with stakeholders such as the Navajo-Hopi Legal Services program to assure that the eligibility appeals process is completed by the end of 2017?

Answer: We are continuing to work with NHLSP on scheduling including consolidation of appeals to expedite the process and, perhaps, reduce costs. We try to accommodate all reasonable requests from NHLSP and are trying to get them to commit to working collaboratively to meet the end of 2017 projected completion of the administrative eligibility appeals process.

Calvert Q8: I'm told that your Agency provided financial assistance to the Navajo-Hopi Legal Services program until 2011. If that's the case, what was the reason for ending the assistance?

Answer: The funding was provided to expedite the process and it did not accomplish that. For example the NHLSP Program Director who had handled a caseload before we began providing financial assistance stopped handling cases herself and decided to just be an "administrator."

Denied applicants have the right, under the Administrative Procedures Act, to bring suit against the United States within six years of being denied relocation benefits by your Agency.

Calvert Q9: Does it make sense to keep your Agency open during this six-year window, just in case? And if not, how will the Federal government handle its responsibilities in the event of a lawsuit?

Answer: We do not believe that the Agency should be kept open on the chance that a decision in a Federal case might be a "game-changer." If, however, a case were filed which, if decided against the Agency would be a "game-changer" we think the Subcommittee should meet with the Agency and DOJ to discuss the possible or likely outcome of such litigation.

Relocation Process

Calvert Q10: Does your Agency have the legal authority to choose an eligible recipient's homesite for them?

Answer: We think we do. 25 CFR § 700.138.

Calvert Q11: How many times has your Agency exercised that authority?

Answer: Never. We have always tried to honor a certified Applicant's choice of location for her/his/their Relocation Home.

Calvert Q12: With your increased workload and target close-out date, does your Agency intend to exercise that authority if necessary to meet your deadlines? And if not, what are your alternatives?

Answer: If exercising that authority is needed to meet Congressionally-established deadlines and is the only way that such deadlines can be met, we would exercise that authority.

Calvert Q13: Please explain why the Bureau of Indian Affairs currently has a role in the home site lease process.

Answer: It is our understanding that under the Hearth Act Indian Nations have to seek and be granted authority from the BIA to exclude the BIA from a role in homesite lease process.

We understand that the Navajo Nation is working on having the capacity to administer the homesite lease process without the BIA, but that achieving that goal will take some time.

Spider Mound and East Mill Communities

We toured the Hopi Spider Mound and the Navajo East Mill communities last year, where we heard allegations made by relocated families that homes and infrastructure are incomplete or in need of repair. This subcommittee immediately asked the Inspector General to investigate these allegations. Their report was published just a few days ago, and we are still working through their conclusions.

Calvert Q14: Why did the Federal government build paved roads at East Mill but not at Spider Mound?

Answer: Because of the expense of road-building, ONHIR has never built paved roads except in connection with housing subdivisions such as the New Lands (including the East Mill Range Unit) and the Coalmine Mesa Subdivision.

Spider Mound was not an ONHIR subdivision. Rather the Hopi Tribe selected the area and granted 3 acre residential leases to a number of Hopis who were certified as eligible for Relocation Benefits. The initial residents of Spider Mound came from Hopi Ranching families in the Antelope (or Jeddito) Valley, an area partitioned to the Navajo Nation.

Both the initial Hopi Relocates and the Hopi Tribal Government made clear to ONHIR that what was important were homes and land sufficient for the Hopi Relocates to continue their ranching lifestyle—not modern conveniences.

Later, without involving ONHIR, the Hopi Tribe turned Spider Mound into a subdivision where a number of Hopis who were not Relocates were given residential leases by the Hopi Tribe.

Calvert Q15: Please explain your Agency's process for reviewing homeowner complaints and fixing problems.

Answer: Any time ONHIR receives a homeowner complaint, it is thoroughly investigated—whether or not the home is still under warranty. If ONHIR determines that there is a latent defect or that ONHIR somehow failed to provide a Relocation Home that met appropriate Code requirements, then ONHIR will make needed repairs to bring the home up to Code.

Calvert Q16: Are homeowners responsible for routine maintenance?

Answer: Yes and Relocates are provided training in routine maintenance as part of the Relocation process.

Calvert Q17: Are homeowners responsible for major improvements, such as replacing a roof at the end of its lifespan?

Answer: Yes. Relocation homes are owned by Relocates and Relocates and not the Federal government are responsible for maintenance and upkeep. There is not a “forever” Federal relationship and responsibility.

Calvert Q18: Has every family that has ever been relocated over the duration of this program received in writing a detailed list and explanation of homeowner responsibilities and Federal government responsibilities for the upkeep and repair of homes? And if so, can you provide this material for the record?

Answer: The responsibilities of the client are verbally discussed prior to the contract signing. In addition, on the day of signing, the client views a home maintenance video (in Navajo or English) that explains the home care that is required. The client also may have a copy of this video for the asking. After the home is built, our contracted Home Maintenance Trainer visits the client in the new home, gives explanations for using all the appliances, explains the responsibilities of the new home owner in maintaining their new home, and gives them a Black and Decker home repair manual. This trainer may return as many times as needed if the client has other questions. At the time of contract signing, the client also signs a warranty agreement with the contractor, which indicates how to file a complaint with the contractor and the Office.

New Lands

Calvert Q19: Is your Agency running non-housing programs for those relocated to the New Lands area of the Navajo Nation?

Answer: ONHIR administers range management programs in the New Lands as part of its responsibility as Federal Land Manager for this area and to help insure successful relocations. Such programs include construction and maintenance of some rangeland improvements; monitoring of the range resource; establishing and enforcing grazing regulations and teaching by example with the Padres Mesa Demonstration Ranch.

Calvert Q20: Has the Navajo Nation or the local Navajo chapter expressed a desire to exercise its self-determination rights, and run those programs themselves under a “638” contract? And if so, why hasn’t such a contract been entered into?

Answer: From a legal standpoint, P.L. 93-638 and its implementing regulations do not apply to ONHIR under existing law. Nonetheless over the years ONHIR has entered into contracts with the Navajo Nation and the Hopi Tribe as well as the Nahata Dził Commission Governance

We are awaiting FY 2017 funding before entering into contracts for the Navajo Nation and/or Nahata Dziil Commission Governance with respect to transition activities. The direction from the Subcommittee and OMB has been to concentrate on relocating certified Applicants and completing the Eligibility Appeal process and that is where our efforts and expenditure or funds has been directed.

Calvert Q21: When your Agency closes, can any remaining Federal responsibilities in the New Lands be transferred to the Bureau of Indian Affairs?

Answer: We think so.

Calvert Q22: Is your Agency running any additional programs that are not a Federal responsibility? Please explain.

Answer: All programs of ONHIR are either direct relocation activities such as housing or Eligibility/Appeals or programs which support the Relocation effort such as the Padres Mesa Demonstration Ranch or administrative support programs such as Finance, Human Resources and Procurement.

Calvert Q23: If so, can you turn these programs over to the Navajo Nation or the local Navajo chapter before the end of 2018?

Answer: Not Applicable. (We do plan to work with the Navajo Nation, the BIA and Nahata Dziil Commission Governance with respect to the transfer of program that support relocation.)

Questions from Mr. Simpson

Relocation Report

Simpson Q1: Upon reading the Feb. 18th report, it was concluded that streamlining the administrative appeals process is not an option. Can you explain why?

Answer: From our review of the remaining administrative eligibility appeals and the pace that appeals are being heard and determined, all Appeals should be heard and determined by the end of calendar 2017.

There really is no way to “streamline” the process given the due process rights of Applicants who are going through the appeal process. Attempting to do so would likely give persons affected by the “streamlining” arguments which they could take to federal court in challenging the appeal outcome and process.

Simpson Q2: However, the relocation process can be streamlined through existing authority to lease land without BIA approval. Can you elaborate how that is possible under provisions in the HEARTH Act?

Answer: If the Navajo Nation gains approval of leasing without BIA review—which means its procedures and staffing have been reviewed and been determined appropriate, then the BIA would be removed from the Homesite Lease approval process. While ONHIR can support such a result, only the Navajo Nation can seek such approval and undertake those activities which will gain BIA approval for the Navajo Nation having such leasing authority.

Simpson Q3: All that being said, even if certain streamlining occurs, that won’t help complete the relocation efforts according to the report. Does that mean more money is needed and if so, how much?

Answer: We believe that funding at FY 2016 levels for FY 2017 and 2018 should be adequate to enable ONHIR to complete its work and sunset by some time in FY 2018.

Simpson Q4: Is the Office of Special Trustee involved in this process? Administrative Appeals or Relocation?

Answer: The Special Trustee has not yet been involved in any of the transition activities. There has been reluctance on the part of the Navajo Nation and OMB to use a cash payment to end-of-process certified Applicants, though we and from our discussions some members of the Subcommittee think that such an option needs to be “kept on the table.”

If such an option is approved, then the OST is one possibility at the entity to administer cash payout from a “Trust Fund” that they would maintain.

We do not see OST involved in the Appeal process.

Simpson Q5: Does the Office of Special Trustee create another layer of complexity for this process?

Answer: Yes. But the “complexity” would be minimal if the OST’s role was limited to making cash payouts.

WEDNESDAY, MARCH 2, 2016.

DEPARTMENT OF THE INTERIOR

WITNESSES

**HON. SALLY JEWELL, SECRETARY, U.S. DEPARTMENT OF THE
INTERIOR,
MIKE CONNOR, DEPUTY SECRETARY
KRISTEN SARRI, PRINCIPAL DEPUTY ASSISTANT SECRETARY, POLICY
MANAGEMENT AND BUDGET**

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT. Okay. I think we will get started here. Some good news. There are not going to be any votes until 5:00, so we will have no interruptions during this hearing.

So the committee will come to order.

Secretary Jewell, I would like to welcome you to today's hearing along with Deputy Secretary Mike Connor, Principal Deputy Assistant Secretary for Policy, Management and Budget, Kris Sarri. Our hearing today will address the Fiscal Year 2017 budget priorities for the Department of Interior.

Madam Secretary, let me begin by wishing you a belated happy birthday.

Secretary JEWELL. Thank you.

Mr. CALVERT. I heard you climbed a mountain on a wall, whatever that is.

Female Voice. Which mountain.

Mr. CALVERT. Yeah, well, it is one of these mountains you put on—

Secretary JEWELL. There is a rock gym in Arlington.

Mr. CALVERT. There you go. [Laughter.]

Secretary JEWELL. It was a great party.

Mr. CALVERT. Close enough. With the November elections just around the corner, this may be your last budget hearing before our subcommittee as Secretary. On behalf of the subcommittee, I want to thank you for your service and willingness to have frank discussions regarding the challenges we face.

In particular, I want to thank you for your tireless personal efforts to reform the Bureau of Indian Education. Working together, we have made real progress improving the quality of life and education throughout Indian Country. This is further evidence that we can work together to find common ground, even if we do not agree on every issue.

In that spirit, I would like to mention a few things before we receive your testimony. Overall the President's Fiscal Year 2017 budget request provides \$11.9 billion in discretionary funding for Department of the Interior programs under the subcommittee's jurisdiction, 1 percent below the Fiscal Year 2016 level. The budget

request assumes a reduction of \$169 million in discretionary funding for wildfire programs while providing \$290 million for fire programs through a budget cap adjustment.

The challenge of providing adequate wildfire funding remains one of the greatest challenges facing our subcommittee. I want to applaud my friend, former subcommittee chairman, Mike Simpson, for his continuing efforts to address this issue through his bipartisan legislation, which by the way has now 145 co-sponsors.

The budget request proposes funding PILT, which is very critical to our rural communities in the West, on the mandatory side of the ledger, but without providing an offset. This budget gimmick will only add to our challenge of addressing many legitimate needs in this bill.

The centennial of the National Park Service is one of the highlights of this year's budget request. Last year the subcommittee made a substantial investment in our national parks, providing additional funds for Park operations, addressing longstanding deferred maintenance issues. We will endeavor to make similar investments this year within the confines of our 302(b) allocation, which I am sure the chairman will let us know about pretty soon.

Like many from the West, I am concerned about the President using authority under the Antiquities Act for designating large national monuments. President Obama has used this authority 22 times since 2009 to designate nearly 4 million acres as new national monuments. This is more than every other President, except Jimmy Carter and Bill Clinton. These large designations often disregard the views and concerns of affected communities, local stakeholders, and their representatives in Congress.

Another challenge facing the Department and the subcommittee is the Endangered Species Act. ESA is a well-intentioned statute that has saved numerous species from extinction, but the authorization has long expired. We can and must have an open and realistic discussion in Congress about what is working and what is not.

It is increasingly clear that the Administration's priority goal is to make several forms of energy uneconomical, even obsolete. The latest example is the White House using the Department to double down on its anti-coal agenda by proposing a 3-year review of the Federal Coal Leasing Program and a moratorium on new coal leasing on public lands. Many perceive this as yet another attack on a key industry that supports energy production and energy jobs in the United States. I suspect the Department will face a number of lawsuits on the decision to halt coal leasing on Federal lands. I also expect you all to encounter significant challenges from the States should you attempt to increase the cost of coal via higher bonding requirements.

The committee fully expects the Department to follow the clear congressional direction from the Fiscal Year 2016 omnibus working with the States as partners on the stream buffer rule rather than ignoring States as has been the case since 2010. This is an issue of great interest and concern to members of this committee.

I am also concerned that the Administration is taking a page from the war on coal playbook and applying it to oil production. It appears that the Department is attempting to make it as costly as possible to operate offshore facilities so investors will simply walk

away from prospective sites. Onerous requirements under the well control rule, for example, will likely lead job producers to opt not to drill in areas currently producing oil. The result is the Obama Administration de facto moratorium on oil production without engagement with Congress.

Lastly, even with the El Nino rains, my home State of California remains in the midst of a devastating drought affecting families, businesses, and landscapes across the West. While this subcommittee is limited in what we can do to address the drought itself, I implore you and the Department to apply common sense and take full advantage of opportunities under the law to store and pump these El Nino rains.

So far, even with the increased rainfall, we have not pumped as much water as we did last year in the midst of a drought. We have had 3 times as much as rain, and we have pumped less water. As of mid-February, more than 192,000-acre feet, enough water to serve over 2 million people for 1 year, has been lost because of lack of adequate pumping. That is pumping within the biological opinion. That is enough water to serve San Diego and San Francisco combined for a year. I ask you to use your remaining time as Secretary to provide some desperately needed relief to the people of my State.

In closing, I once again want to express my appreciation to the professional staff. Our subcommittee could not do its work without your budget shop, the various bureaus, and the folks sitting behind you. Thanks to each of you for everything you do.

And with that, I am happy to yield to the gentlelady from Minnesota, Ms. McCollum, for any opening remarks she would like to make.

OPENING REMARKS OF CONGRESSWOMAN MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chairman. Secretary Jewell, I join with the chairman to welcome you to the subcommittee today. Ms. Sarria, Principal Deputy Assistant Secretary of policy, management, and budget, and, Deputy Secretary O'Connor, I welcome you, too.

Last year, we were able to make great gains in repairing the damage caused by sequestration, increasing the Department's funding by \$1.3 billion. I am so pleased to see that your Fiscal Year 2017 budget request builds on that progress. The Department of Interior budget continues its dedication to conservation and the protection of America's cultural and natural resources in so many ways.

The subcommittee is united in its commitment to the social and economic well-being of Native Americans, so I am pleased that the budget request advances Indian education by investing in elementary and secondary education, and by continuing the more robust Education Construction funding that was enacted last year. These investments are a good start, but so much more still needs to be done.

The centennial of the National Park Service is underway, and the budget takes a forward-looking approach to a second century of stewardship. It proposes investments necessary to begin tackling the backlog of maintenance needs across the National Park system,

so that these treasures are preserved for the enjoyment of current and future visitors. And while I support these increases, I do have to express my sincere disappointment with the Department's failure to fund the Save America's Treasures grant program.

The Department also maintains a commitment to engaging the next generation to be stewards of the land by dedicating \$1.3 million for youth programs. These programs build a strong foundation for preservation for our natural and historic heritage through initiatives like Every Kid in a Park and the Urban Wildlife Conservation Program.

I also appreciate the budget's strong emphasis on strategic science investments. This work provides data and tools to inform sound decision making to address complex challenges such as drought, response to natural hazards, and climate change.

Once again, the Administration is proposing to reform the way we fund wildfire costs. This proposal will provide a more reliable way of funding wildfires. Additionally, the budget does not include funding for payment in lieu of taxes, the PILT program. Instead, it calls on Congress to do its duty and to reauthorize the program as mandatory spending.

I support this approach. Counties rely on the Payment in Lieu of Taxes Program, and discretionary funding does not provide the certainty that these local units of government deserve. The rising cost of firefighting and PILT are consuming a growing portion of the interior bill, and I encourage the authorizers to address these issues.

Finally, I would be remiss if I did not call attention to the Department's workforce. The Department of Interior is 70,000 employees strong. These civil servants dedicate their lives to managing and sustaining our national treasures. They work relentlessly to ensure that public lands are there for the collective use and for the appreciation of all of the American people. They deserve to do their jobs safely and free from intimidation or abuse. And so, to these men and women, I want to say thank you to all of you. You are very appreciated.

Madam Secretary, I look forward to your testimony this afternoon, and I thank the Chairman for the time. I yield back.

Mr. CALVERT. I thank the gentlelady, and we are joined today by our distinguished chairman of the full Appropriations Committee, Chairman Rogers, and I thank him for taking the time to contribute to this important conversation. Chairman Rogers, would you like to make any opening remarks?

OPENING REMARKS OF CHAIRMAN ROGERS

Mr. ROGERS. Thank you, Mr. Chairman. Madam Secretary, welcome to the subcommittee. Your Department plays a central role in the stewardship of our natural resources and the preservation of our national heritage. From operating fisheries to running our national parks, even processing permits for coal mining—a few—

[Laughter.]

Your Department touches almost every aspect of life in my district as well as those across the country.

Not so long ago, we called on your Department to join an inter-agency task force, an effort to raise the water level at Lake Cum-

berland back up to its historic pool level while saving the endangered dusky tailed darter, who, by the way, I learned last week, is doing just fine in his new habitat. I appreciate your participation in this important effort, and I am pleased to report that my constituents are enjoying boating and fishing on Lake Cumberland once again.

That said, other communities in my district in Kentucky cannot tell a success story quite like that. In a few short years, I have seen 10,000 of my miners lose their jobs, struggling to find work in communities that are experiencing staggering unemployment. And let me be clear about one thing. Working in the coalfields was a good job for these miners. This industry provided high wages and reliable work in my part of the country for decades, and watching these miners grapple with starting over again is heartbreaking. Going from a job in a mine that paid \$80,000 to trying to find a job at a McDonalds unsuccessfully, and trying to pay those bills and raise those small children.

Not to mention for every one mining job we lose in my area, we lose three to four more in other industries associated with it, leaving us with 12 and even 15 percent official unemployment in some of my counties. We have a real crisis in Appalachia, and some of the policies championed by your Department only exacerbate the very real challenges that they face every day.

Every department in this Administration has bought into the "keep it in the ground" strategy with respect to our country's most abundant resource, each one handing down their own set of anti-coal edicts aimed at shuttering power plants and coal companies nationwide. Coal is a plentiful and an inexpensive commodity, and your Department should be seizing every opportunity to unlock this resource and maintain its sizable footprint in our energy economy.

Instead, this Department is perpetuating an unaccountable regulatory scheme that leaves businesses waiting on permitting and leasing decisions for months and years even at a time, and levies unworkable compliance costs on already overburdened job creators.

A particularly concerning piece of this wrongheaded regulatory agenda is the Department's proposed stream protection rule. For over 4 long years now, you have been spending millions of dollars rewriting the stream buffer zone rule finalized in 2008. Your Department has led an entirely mismanaged and insular rulemaking process from the start, seeking input from no one other than your politically minded colleagues bent on destroying the coal industry through regulation. This committee has heard time and again from your so-called State partners that you have left them completely out of the rulemaking process.

There is no doubt that this rule will have a tremendous impact on determining on what coal can and cannot be mined, and will result in the bulk of it being left in the ground. One independent analysis of the proposed rule indicates that it threatens up to 280,000 jobs, most of which are in Appalachia. That is the equivalent of dozens of small towns in my region, and a high price to pay for what will be imperceptible environmental gains.

All the same, your Department doubled down on its anti-coal stance earlier this year when it issued a moratorium on all Federal coal lease sales. This decision halts proposed coal lease sales in

nine States, including my home State of Kentucky, while you engage in an unnecessary study of the Federal coal leasing process. Even pending lease decisions will be shelved during this exercise. And you know as well as I that this moratorium is just another excuse to keep coal off the market so it cannot compete with other resources.

This approach is not a winning strategy for energy independence or economic growth in the country. We have an unemployment crisis in Eastern Kentucky, a disaster, and despite our efforts to re-tool and encourage economic development, these regulations are proving too much to overcome in some areas.

Efforts such as the AML Pilot Program that this committee began last year and the President's Power Plus proposal for economic development on abandoned mine lands represent just a small portion of what it is going to take to get Appalachia back on its feet. The job creators in this region need relief from these onerous regulations in order to keep jobs in the coalfields online and to turn their good ideas for economic diversification into employment opportunities.

These issues mean everything to the communities that are struggling to make ends meet in rural Appalachia. We need to set the right priorities here in Washington so that they can resurrect their economies and put their people back to work. Having said that, I look forward to hearing your testimony today.

Mr. CALVERT. Thank you, Mr. Chairman. I am also pleased to see our ranking member of the full committee, Ms. Lowey, is here today. I am happy to yield to the gentlelady for any opening remarks she would like to make.

OPENING REMARKS OF CONGRESSWOMAN LOWEY

Ms. LOWEY. Well, thank you very much, Mr. Chairman and Ranking Member McCollum. Secretary Jewell, thank you for joining us this afternoon and for your service to our country. I hope you had a happy birthday.

Many of America's natural wonders are a testament to our national heritage and symbols of the values upon which this great Nation was built. From the Statue of Liberty, to the Selma to Montgomery National Historic Trail, and All-American Roads, these sites represent significant moments in American history and mark the incredible progress our Nation has made since its inception.

The Department of Interior is charged with the significant task of conserving and protecting these sites, but the Department of Interior does so much more. It is responsible for the wellbeing of Native Americans, protecting wildlife, managing energy production, and providing for the public use and enjoyment of nearly 618 million acres of Federal land.

To support this critical mission, the Administration is requesting \$12.3 billion in discretionary funding. If enacted, this request would reverse some of the steep declines these programs have suffered as a result of sequestration. These declines led to a reduction in routine maintenance, aging, and understaffed park facilities and public lands at greater risk of fire because they have not been properly managed.

The President's Fiscal Year 2017 request also continues our commitment to our national parks and their centennial anniversary. These historic sites contribute billions of dollars to the U.S. economy every year, so it is critical that we maintain these parks and keep them safe and accessible for visitors.

I am also pleased the President's budget seeks to increase investment for Native Americans. The all of government approach to addressing Federal responsibilities and tribal needs in Indian Country is necessary to improve the quality of life for those who living on tribal lands.

Finally, I am especially pleased by the President's focus on advancing clean energy and taking much needed action on climate change. Through the President's Climate Action Plan, the Department of Interior will have funding to increase renewable energy resources and build community resiliency to help communities cope with the impacts of climate change we have already seen today.

In short, your budget invests in public safety and economic prosperity that will improve the wellbeing of all Americans today and in the future. And I hope this subcommittee works support these crucial initiatives.

I appreciate the commitment and the passion you bring to the job. I look forward to your testimony. Thank you, Mr. Chairman.

Mr. CALVERT. I thank the gentlelady. And with that, Madam Secretary, I am happy to yield to you for your opening statement.

OPENING REMARKS OF SECRETARY JEWELL

Secretary JEWELL. Thank you very much. Chairman Calvert, Ranking Member McCollum, Chairman Rogers, and Ranking Member Lowey, and members of the subcommittee, thank you so much for the opportunity to discuss the Fiscal Year 2017 budget request.

This is, as you point out, the Administration's final budget, and I want to take the opportunity to thank all of you for working with me and my team over the last 3 years to help the Department meet its mission for the American people. And special thanks for the support we received in this current Fiscal Year.

I would like to also take a moment to mention the incident we just had at the Malheur National Wildlife Refuge in Harney County, Oregon. Through tremendous patience and professionalism, the FBI, with support from State and local law enforcement, ended the occupation on February 11th as quickly and safely as possible after more than 40 days. This was an incredibly disruptive and distressing time for our employees, their families, and the Harney County community.

I am proud of the Department of Interior law enforcement personnel who supported the response and helped keep our employees safe. We continue to cooperate with DOJ, the FBI, and others as the investigations move forward, and we remain committed to working with local communities on the management of public lands.

BUDGET REQUEST

Our overall Fiscal Year 2017 budget request is \$13.4 billion. Specifically for programs within this subcommittee's jurisdiction the

request is \$12.3 billion. It builds on successes we're achieving through partnerships, the application of science and innovation, and balanced stewardship. It gives us the tools to help communities strengthen resilience in the face of climate change, conserve natural and cultural resources, secure clean and sustainable water, engage the next generation with the great outdoors, promote a balanced approach to safe and responsible energy development, and expand opportunities for Native American communities. These areas are core to our mission, and they play a vital role in job creation and economic growth.

The budget invests in our public lands, providing \$5 billion to support operation of our national parks, historic and cultural sites, wildlife refuges and habitat, and managing multiple use and sustained yield on our Nation's public lands. It focuses investment on important working landscapes like the western sage steppe, and the Arctic, and proposes a 10-year \$2 billion coastal resilience program to support at risk coastal States and local governments, including funding for communities in Alaska, to prepare for and adapt to climate change.

As the National Park Service begins its second century, the budget provides \$3 billion and includes a proposal to dedicate significant funding to reduce the deferred maintenance backlog. I want to have a special call out to this committee for your support of the National Park Centennial this year and your words in that regard.

The budget calls for full and permanent funding of the Land and Water Conservation Fund, and it extends the expired authority for the Historic Preservation Fund. It reflects the Administration's strategy to move effectively to budget for catastrophic wildfires. Again, I want to thank you for your leadership in this committee and Congressman Simpson in particular for his leadership on bringing attention and constructive solutions on wildland fire.

In response to drought challenges across the West, it continues to safeguard sustainable and secure water supplies. I know there will be a robust conversation, on that, Chairman Calvert.

We continue to engage the next generation of Americans to play, learn, serve, and work outdoors with \$103 million for youth engagement. This includes mentoring and research opportunities at the U.S. Geological Survey, urban community partnerships, scholarships, and job corps training for tribal, rural, and urban youth, and work opportunities in our bureaus. There is \$20 million for the Every Kid in a Park initiative, which introduces all of America's 4th graders to their public lands, providing education programs across the country, and transportation support for low-income students.

We continue to promote a balanced approach to safe and responsible energy development that maximizes a fair return to taxpayers with \$800 million for renewable and conventional energy development, a \$41 million increase. We're on track to meet the President's goals of permitting 20,000 megawatts of renewable energy capacity on public lands by 2020 with nearly \$100 million for renewable energy development and infrastructure.

Offshore, this budget supports the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement

with funding to reform and strengthen responsiveness, oversight, and safety for oil and gas development, and onshore, \$20 million supports BLM's efforts to develop a landscape level approach to oil and gas development, modernize and streamline permitting, and strengthen inspection capacity.

We are expanding educational and job opportunities for Native American communities with \$3 billion for Indian Affairs, a 5 percent increase, to support Native youth education, as was mentioned, American Indian and Alaska Native families, public safety, and building resilience to climate change. The President's budget calls for a \$1 billion investment specifically in Indian education and \$278 million to fully fund contract support costs, a cornerstone of tribal self-determination. The budget supports our commitment to resolve Indian water rights settlements and supports sustainable water management in Indian Country with \$215 million, a \$5 million increase.

It also includes funding to strengthen cybersecurity controls across all bureaus. It invests in science and innovation with \$150 million for USGS' National Hazards, an \$11 million increase. And funding will continue development of Landsat 9, a critical new satellite expected to launch in 2021.

We believe this is a smart budget that builds on our previous successes and strengthens partnerships to ensure we balance the needs of today with opportunity for future generations.

So thank you, and I'm happy to respond to any questions you have. And I can tell there's going to be a number of robust questions coming my way. Thank you.

[Laughter.]

[The information follows:]

**STATEMENT OF SALLY JEWELL, SECRETARY OF THE INTERIOR
BEFORE THE SUBCOMMITTEE ON INTERIOR, ENVIRONMENT
AND RELATED AGENCIES
HOUSE COMMITTEE ON APPROPRIATIONS
ON THE 2017 PRESIDENT'S BUDGET REQUEST**

Mr. Chairman, Ranking Member McCollum, and members of the Subcommittee, I am pleased to present the 2017 President's Budget for the Department of the Interior providing \$13.4 billion for the Department's programs with \$290 million available in the event of catastrophic fires. Of this amount, \$12.3 billion is within the jurisdiction of this subcommittee, an increase of \$224.4 million with the fire cap adjustment.

This is a strong budget that builds on our accomplishments. Our request enables us to carry out our important missions – maintain our core capabilities, meet commitments, and invest in key priorities. The investments in this request show the Administration remains focused on meeting the Nation's greatest challenges looking forward and ensuring our economy works for all.

Our budget is part of the President's broader strategy to make critical investments in domestic and national security priorities while adhering to the bipartisan budget agreement signed into law last fall, and lifts sequestration in future years to continue investment in the future. This budget recognizes the importance of Interior's programs to the overall strength of the Nation's economy. To put this into perspective, in 2014, Interior-managed lands and activities contributed about \$360 billion in national economic output, supporting an estimated two million jobs. Of this, energy and mineral development on Interior-managed lands and offshore areas generated more than \$241 billion in economic activity and supported nearly 1.1 million jobs.

At the same time, our 2017 proposed investments lay the groundwork for promoting renewable energy development, managing the Nation's lands responsibly, helping to protect communities in the face of climate change, and investing in science to inform natural resource management. Our budget features investments to launch the second century of the national parks and expand public accessibility to and enjoyment of America's public lands. It supports tribal priorities in Indian Country, including a \$1.1 billion investment to transform Indian schools and education, and provides full funding for tribal contract support costs. This request addresses significant resource challenges for the Nation, including water availability, particularly in the arid West, and makes important investments in America's water infrastructure.

The 2017 budget includes \$1.0 billion for research and development activities throughout the Department, an increase of \$84.5 million from the 2016 enacted level. Activities supported include scientific analysis of natural systems and applied field research to address specific problems, such as thawing permafrost, invasive species, and flooding. With multiple science programs across the Department's bureaus and offices, science coordination remains a critical component in the process of effective science application. Interior is well served by the deployment of science advisors in each bureau. These advisors serve critical roles within the organizations and across the Department by sharing information concerning new research efforts, identifying and evaluating emerging science needs, and ensuring effective science delivery and

application. The Interior 2017 budget reflects high priority needs identified for scientific research across the Department.

The 2017 Budget Advances a Record of Achievement

This budget builds on a record of achievement across Interior's diverse mission. For the past several years, the Department led an unprecedented proactive strategy to develop land use plans with Federal, State, and local partners to address the deteriorating health of America's sagebrush landscapes and the declining population of the greater sage-grouse. This landscape scale conservation effort is an extraordinary collaboration to significantly address threats to the greater sage-grouse across 90 percent of the species' breeding habitat. These efforts enabled the U.S. Fish and Wildlife Service to conclude the charismatic rangeland bird does not warrant protection under the Endangered Species Act. This collaborative, science-based strategy is the largest land conservation effort in U.S. history, and helps to protect the species and its habitat while also providing certainty needed for sustainable economic development across millions of acres of Federal and private lands throughout the western United States. The 2017 budget includes \$89.7 million for Sage Steppe conservation, an increase of \$22.9 million over 2016 enacted.

This budget continues to advance development of renewable energy. Over the summer of 2015, Interior's offshore wind energy leasing efforts led to beginning construction of the first offshore wind farm. This first of its kind project will provide a model for future development of offshore wind energy. Since 2009, Interior has approved 56 wind, solar, and geothermal utility scale projects on public or tribal lands. When built, these projects could provide about 14,600 megawatts - enough energy to power nearly 4.9 million homes and support more than 24,000 construction jobs. The 2017 budget includes \$97.3 million for clean energy programs, an increase of \$3.1 million over 2016 enacted.

The 2017 budget sustains President Obama's strong commitment to tribal self-determination, strengthening tribal nations, and investing in the future of Native youth. Interior established the Land Buy Back Program which, in only two years of active land purchases, invested more than \$730 million in Indian Country to restore nearly 1.5 million acres of land to Indian Tribes. The effort to improve and transform the Bureau of Indian Education to better serve American Indian and Alaska Native youth is building the foundation for improved student outcomes and enduring traditions and native cultures. In 2016, work will begin to replace the final two of 14 Bureau of Indian Education schools identified in 2004 as requiring the greatest need for replacement construction. Also, in 2016, Interior will finalize the next list of replacement schools determined through a negotiated rulemaking process. This budget includes \$138.3 million for education construction and maintains a commitment to continue to invest in improving educational opportunities and quality from the earliest years through college.

Interior continues to engage in innovative efforts to leverage youth engagement and partnerships to advance the Department's extraordinary mission. Interior set the goal to provide 40,000 work and training opportunities during 2014 and 2015 for young adults, toward a goal of 100,000 by 2017. Interior met its priority goal - providing 52,596 work and training opportunities over the past two fiscal years by collaborating across all levels of government and mobilizing the 21st Century Conservation Corps. From Denali to the Everglades, members of the youth

conservation corps are gaining work experience, helping improve the visitor experience, and mobilizing entire communities in the stewardship of our parks, refuges, waters and heritage. The 2017 budget includes a total of \$102.5 million, an increase of \$37.6 million over 2016 enacted, for programs to advance youth engagement.

Partnerships are critical to enhancing our public lands and providing additional recreational opportunities to the public. An example of the significant impact of these efforts is the CityArchRiver project is a public-private partnership building connections that enhance downtown St. Louis, the Gateway Arch grounds at the Jefferson National Expansion Memorial, and the Mississippi riverfront. This partnership includes the National Park Service, Missouri Department of Transportation, Great Rivers Greenway District, City of St. Louis, Bi-State Development Agency, CityArchRiver Foundation, and others. In January, the Foundation completed a \$250 million capital campaign which means the Foundation has raised \$221 million in private funding for construction of the \$380 million CityArchRiver project and an additional \$29 million to seed an endowment that will help maintain and operate the park moving forward.

Promotes the Conservation and Protection of America's Natural and Cultural Resources

This year, the National Park Service celebrates 100 years of preserving and sharing America's natural, cultural, and historic treasures. Interior's 2017 budget makes investments to connect a new generation to "America's Best Idea," and to care for and maintain our national parks for the next 100 years. Last year, the National Park Service's 410 units welcomed 307 million visitors – setting a new visitation record. Every tax dollar invested in a park returns more than \$10 to the U.S. economy.

The budget includes a discretionary increase of \$190.5 million to invest in the next century of the National Park Service. This includes a \$20.0 million increase for the *Every Kid in a Park* initiative, a \$20.0 million increase to the Centennial Challenge program providing a Federal match to leverage partner donations for projects and programs at national parks, and a \$150.5 million increase to address high priority deferred maintenance needs across the national park system.

This current funding is complemented by a legislative proposal to provide new mandatory funding. The National Park Service Centennial Act includes \$100.0 million a year, for three years, for Centennial Challenge projects to provide the Federal match in support of signature projects at park units; \$100.0 million a year for three years for the Public Lands Centennial Fund, a competitive opportunity for public lands agencies to support conservation and maintenance projects; and \$300.0 million a year, for three years, for Second Century Infrastructure Investment projects to make a meaningful and lasting impact on the NPS deferred maintenance backlog. The Act also provides authority to collect and retain additional camping or lodging fees and funds collected from purchases of the lifetime pass for citizens 62 years of age or older. Receipts for this Second Century Fund will be matched by donations to fund visitor enhancement projects.

Together, the discretionary and mandatory funding proposals will allow the National Park Service to make targeted, measurable upgrades over the next 10 years to all of its highest priority, non-transportation assets, restoring and maintaining them in good condition.

America's public lands and waters offer space to get outside and get active, and provide living classrooms with hands-on opportunities to build skills. The Administration launched the *Every Kid in a Park* Initiative to inspire the next generation to discover all America's public lands and waters have to offer. Starting with the 2015-2016 school year, all fourth grade students and their families are able to receive free admission to all national parks and other Federal lands for a full year. The National Park Service budget for 2017 includes \$20.0 million for *Every Kid in a Park* to introduce at least one million fourth grade students from elementary schools serving disadvantaged students in urban areas to nearby national parks and provide park programs tailored for young people and their families, especially at high visitation and urban parks.

Investments in America's great outdoors create and sustain millions of jobs and spur billions of dollars in national economic activity through outdoor recreation and tourism. An estimated 423 million recreational visits to Interior lands contributed \$42 billion to the economy and supported about 375,000 jobs nationwide. The 2017 budget proposes full funding for Land and Water Conservation Fund (LWCF) programs at Interior and the Department of Agriculture. This innovative, highly successful program reinvests royalties from offshore oil and gas activities into public lands across the Nation. Starting in 2017, the budget will invest \$900.0 million annually into conservation and recreation projects, equal to the amount of receipts authorized for deposit into the LWCF each year, through a combination of \$475.0 million in current discretionary funding and \$425.0 million in mandatory funding. These investments will conserve public lands in or near national parks, refuges, forests and other public lands, and provide grants to States for close-to-home recreation and conservation projects on non-Federal lands.

The budget continues efforts to manage and promote the health and resilience of ecosystems on a landscape scale, including a continued focus in priority landscapes such as the California Bay-Delta, the Everglades, the Great Lakes, Chesapeake Bay, and the Gulf Coast. The request includes a total of \$79.2 million for Bureau of Land Management efforts, to protect and restore America's vast sage steppe landscape supporting abundant wildlife and significant economic activity, including recreation, ranching and energy development. This investment reflects Interior's continued support of the unprecedented Federal and State collaboration to conserve the imperiled sage steppe landscape in the face of threats from fire, invasive species, expanding development, and habitat fragmentation. The budget also invests \$160.6 million in landscape scale efforts to address the complex natural resource issues facing the Arctic.

Implements the President's Climate Action Plan

As manager of roughly 20 percent of the land area of the United States and a partner with tribal, Federal, State, local, and territorial government land managers, the Interior Department works to address the challenges of natural hazards brought on by a changing climate as an integral part of its mission. The budget includes funding to improve the resilience of communities and ecosystems to changing stressors, including flooding, severe storm events, and drought as part of the Administration's effort to better understand and prepare for the impacts of a changing climate.

The budget proposes \$2.0 billion in mandatory funding for a new Coastal Climate Resilience program, to provide resources over 10 years for at-risk coastal states, local governments, and

their communities to prepare for and adapt to climate change. This program would be paid for by redirecting roughly half of the savings that result from the repeal of offshore oil and gas revenue sharing payments that are set to be paid to only four states under current law. A portion of these program funds would be set aside to cover the unique impacts of climate change in Alaska where rising seas, coastal erosion, and storm surges are threatening Native Villages that must prepare for potential relocations.

Population growth near forests and rangelands and a changing climate are increasing wildfire risk and resulting costs. The budget calls for a new funding framework for wildland fire suppression, similar to how other natural disasters are addressed. The budget includes base level funding of 70 percent of the 10-year average for suppression costs and an additional \$290.0 million through a cap adjustment, available in the event of the most severe fire activity, which comprises only two percent of the fires but 30 percent of the costs. This framework allows for a balanced suppression and fuels management and restoration program, with flexibility to accommodate peak fire seasons, but not at the cost of other Interior and U.S. Department of Agriculture missions.

Healthy communities require secure, sustainable water supplies. This is particularly challenging with record drought conditions and increasing demand taxing watersheds throughout the country, especially in the arid West. To help increase the security and sustainability of Western watersheds, the budget continues investment in the Department's WaterSMART program to promote water reuse, recycling, and conservation, in partnership with States, Tribes, and other partners. Funding is also included for research, development, and challenge competitions to find longer term solutions through new water technologies. The budget invests in the Nation's water infrastructure to ensure millions of customers receive the water and power that are the foundation of a healthy economy.

Powers the Future Through Balanced Energy Development

To enhance national energy security and create jobs in new industries, the budget invests in renewable energy development programs to review and permit renewable energy projects on public lands and in offshore waters. Under the President's Climate Action Plan, these funds will allow Interior to continue progress toward its goal of increasing approved capacity authorized for renewable - solar, wind, geothermal, and hydropower - energy resources affecting Interior managed lands, while ensuring full environmental review, to at least 16,600 Megawatts (since the end of FY 2009). The budget includes an increase of \$2.0 million for the Office of Insular Affairs to provide assistance to implement energy projects identified by the territories in their comprehensive sustainable energy strategies.

To address the continuing legacy of abandoned mine lands on the health, safety, environment, and economic opportunity of communities, the budget proposes \$1.0 billion to States and Tribes over five years from the unappropriated balance of the AML Trust Fund, administered by the Office of Surface Mining Reclamation and Enforcement. As part of the President's POWER+ Plan, the AML funding will be used to target the reclamation of mine land sites and associated polluted waters in a manner that promotes sustainable redevelopment in economically distressed coalfield communities. The budget includes legislative reforms to strengthen the health care and

pension plans that provide for the health and retirement security of coal miners and their families.

The budget provides support for onshore energy permitting and oversight on Federal lands, with the Bureau of Land Management's discretionary and permanent oil and gas program receiving a 17 percent increase in funding compared to the 2016 enacted level. The funding increase will enhance BLM's capacity to oversee safe, environmentally-sound development and ensure a fair return to taxpayers, with increases targeted to improve leasing processes, implementation of new regulations and rules, and a modernized automated permitting process. The BLM's costs would be partially offset through new inspection fees totaling \$48 million in 2017, requiring the onshore oil and gas industry to share in the cost of managing the program from which it benefits, just as the offshore industry currently does.

The budget also supports reforms to strengthen oversight of offshore industry operations following the 2010 Deepwater Horizon oil spill, with an additional emphasis on risk management. The budget includes \$175.1 million for the Bureau of Ocean Energy Management and \$204.9 million for the Bureau of Safety and Environmental Enforcement, which share responsibility for overseeing development of oil and gas resources on the Outer Continental Shelf.

Strengthening Tribal Nations

The President's budget maintains the Administration's strong support for the principle of tribal self-determination and strengthening tribal communities across Indian Country. This commitment is reflected in a nearly five percent increase for the Bureau of Indian Affairs over the 2016 enacted level. The budget calls for full funding for contract support costs that Tribes incur from managing Federal programs, complemented by a proposal to secure mandatory funding in future years. The budget provides significant increases across a wide range of Federal programs that serve Tribes; proposes a "one-stop" approach to improve and coordinate access to Federal programs and resources; seeks to improve the quality of data by partnering with the Census Bureau; supports sustainable stewardship of land, water, and other natural resources; provides funds for communities to plan, prepare, and respond to the impacts of climate change; and expands resources to promote tribally based solutions and capacity building to strengthen tribal communities as a whole. The budget continues to address Indian water rights settlement commitments and programs to support Tribes in resolving water rights claims, developing water sharing agreements, and supporting sustainable water management.

The budget includes key investments to support Generation Indigenous, an initiative addressing barriers to success for American Indian and Alaska Native children and teenagers. In addition to Interior, multiple agencies – including the Departments of Education, Housing and Urban Development, Health and Human Services, Agriculture, and Justice– are working collaboratively with Tribes on new and increased investments to implement education reforms and address issues facing Native youth. The budget provides over \$1 billion for Interior investments in Indian education.

Improves Oversight and Use of Federal Dollars

Interior has several multi-year efforts underway to reduce its nationwide facilities footprint, and improve the efficiency and effectiveness of its information technology infrastructure and financial reporting capabilities. The budget includes \$6.4 million to consolidate building space and reduce costs to the taxpayer for privately leased space. Interior achieved a 4.6 percent reduction –2.1 million square feet– in office and warehouse space between FY 2012 and FY 2015. This represents a net annual cost avoidance of approximately \$8 million. In 2016, the modernization of the sixth and final wing of the Main Interior Building will be completed, including infrastructure upgrades that improve energy efficiency and sustainability and reconfigured space to support higher occupancy.

The budget includes \$3.0 million for Interior's Digital Services team to increase the efficiency and effectiveness of the agency's highest impact digital services. The budget continues to optimize the Department wide Financial and Business Management System with targeted investments to improve reporting and increase data quality and transparency, as envisioned in the DATA Act.

The budget includes an increase of \$2.6 million to support implementation of Federal Information Technology Acquisition Reform Act, to improve standardization of information technology investments by strengthening the role of the Department's Chief Information Officer in strategic planning, budget formulation and execution, and acquisition of information management and technology activities. The budget includes \$34.7 million in the appropriated working capital fund to continue the Department's remediation of its cybersecurity systems and processes, an increase of \$24.7 million above the 2016 enacted level. The additional funding will allow the Department to secure its valuable information on behalf of our employees, customers, partners and the American public.

The United States Treasury received \$7.2 billion in 2015 from fees, royalties and other payments related to oil and gas development on public lands and waters. A number of studies by the Government Accountability Office and Interior's Office of Inspector General found taxpayers could earn a better return through policy changes and more rigorous oversight. The budget proposes a package of legislative reforms to bolster administrative actions focused on advancing royalty reforms, encouraging diligent development of oil and gas leases, and improving revenue collection processes. The Administration is committed to ensuring American taxpayers receive a fair return from the sale of public resources and benefit from the development of energy resources owned by all Americans.

The budget includes legislative proposals related to Reforms of Hardrock Mining. To increase safety and minimize environmental impacts, the budget proposes a fee on hardrock mining, with receipts to be used by States, Tribes and Federal agencies to restore the most hazardous sites – similar to how coal Abandoned Mine Lands funds are used. In addition, to ensure taxpayers receive a fair return from mineral development on public lands, the budget proposes a royalty on select hardrock minerals – such as silver, gold and copper – and terminating unwarranted payments to coal producing States and Tribes that no longer need funds to clean up abandoned coal mines.

Bureau Highlights

Bureau of Land Management – The 2017 request is \$1.3 billion, \$7.1 million above 2016. This includes \$1.2 billion for BLM operations, an increase of \$2.1 million above the 2016 enacted level, with \$1.1 billion for Management of Lands and Resources and \$107.0 million for Oregon and California Grant Lands programs. The change in total program resources from 2016 and 2017 is larger, as the budget proposes offsetting user fees in the Rangeland Management and Oil and Gas Management programs which reduce the total request by \$64.5 million.

The budget also includes \$44.0 million in current appropriations for LWCF land acquisition, including \$8.0 million to improve access to public lands for hunting, fishing, and other recreation. BLM's LWCF land acquisition investments promote the conservation of natural landscapes and resources by consolidating public lands through purchase, exchange and donation to increase management efficiency and preserve areas of natural, cultural, and recreational importance. The BLM estimates 23 million acres (or nine percent) of BLM-managed public lands lack public access or have inadequate public access, primarily due to checkerboard land ownership patterns. The BLM's proposed land acquisition project within the Rio Grande del Norte National Monument in New Mexico illustrates the many benefits of land acquisition to BLM's mission. An investment of \$1.3 million would allow BLM to acquire 1,186 acres of private inholdings within the monument to preserve traditional uses, secure connectivity to the Rio Grande Wild & Scenic Corridor, preserve avian and wildlife habitat, protect prehistoric human habitation sites, and improve recreation and tourism.

Complementing the second century of the parks, the BLM budget includes investments in the National Conservation Lands, which recently celebrated their 15th anniversary. Thirteen new National Conservation Lands units were designated during the current Administration and visitation and visitor expectations and demands have consistently increased for the whole National Conservation Lands system during this period. The 2017 budget features a \$13.7 million increase to meet basic operating requirements and support critical and overdue investments to effectively safeguard the cultural, ecological, and scientific values for which they were designated and provide the quality of recreational opportunities intended with the National Conservation Lands designation. A program increase of \$1.1 million in Cultural Resources Management will enhance BLM's capacity to preserve and protect the vast treasure of heritage resources on public lands and a program increase of \$2.0 million in Recreation Resources Management will further implement a National Recreation Strategy to facilitate access to public lands.

The BLM continues to support the President's broad energy strategy, with significant increases requested in 2017 to strengthen its ability to effectively manage onshore oil and gas development on Federal lands. The 2017 budget for oil and gas management activities, including the request for direct and fee funded appropriations and estimated permanent appropriations totals \$186.6 million, an increase of \$27.6 million in total program resources over the 2016 enacted level.

For direct appropriations, the oil and gas request is a net program increase of \$19.9 million. Within this net total, \$13.1 million will support implementation of rules and regulations to ensure oil and gas operations are safe, environmentally responsible, and ensure a fair return to the

taxpayer. These include new oil and gas measurement and site security regulations, hydraulic fracturing regulations, and venting and flaring regulations. A \$2.1 million increase will complete modernization of the Automated Fluid Minerals Support System. The development work associated with Phase II of AFMSS modernization includes new functionality supporting new proposed rules and those currently expected to be finalized in 2016. Overall, the AFMSS modernization project also will support greater efficiencies in oil and gas permitting and inspection activities.

The Oil and Gas Management request also includes a program increase of \$2.6 million for oil and gas special pay costs to improve BLM's ability to recruit and retain high caliber oil and gas program staff to provide effective oversight and meet workload and industry demand. Finally, the BLM budget request includes a program increase of \$2.8 million to enhance BLM's capability to address high priority legacy wells in the National Petroleum Reserve- Alaska to supplement permanent funds provided in the Helium Security Act of 2013. The 2017 budget continues to request authority to charge inspection fees similar to those in place for offshore oil and gas inspections. Such authority will reduce the net costs to taxpayers of operating BLM's oil and gas program and allow BLM to be more responsive to industry demand and increased inspection workload in the future. A \$48.0 million decrease in requested appropriations reflects shifting the cost of inspection activities to fees.

In 2017, BLM will continue to invest heavily in the Greater Sage Grouse Conservation Strategy and the budget includes a program increase of \$14.2 million to protect, improve, or restore sage steppe habitat. Funds will also assist States in implementing GSG conservation plans. The BLM's efforts to implement the Greater Sage Grouse Conservation Strategy are also reliant upon successful execution of the National Seed Strategy, which is also integral to the Administration's wildland fire rehabilitation efforts and the success of the Secretary's Integrated Rangeland Fire Management Strategy. The budget includes a \$5.0 million program increase within Wildlife Management to more aggressively implement the National Seed Strategy.

Other budget highlights include program increases totaling \$16.9 million in the Resource Management Planning, Assessment, and Monitoring subactivity. This includes \$4.3 million to expand the BLM Assessment, Inventory, and Monitoring program for increased data collection and monitoring central to the success of high priority landscape management efforts such as the Western Solar Energy Plan, as well as implementation of the Department's plan for the National Petroleum Reserve - Alaska, the Greater Sage Grouse Conservation Strategy, and the broader landscape mitigation strategy. The request also includes an increase of \$6.9 million to accelerate implementation of the BLM enterprise geographic information system, which aggregates data across boundaries to capture ecological conditions and trends; natural and human influences; and opportunities for resource conservation, restoration, development, and partnering. The remaining \$5.7 million increase will support high priority planning efforts that could include the initiation of new plan revisions in 2017, as well as plan evaluations and implementation strategies.

Bureau of Ocean Energy Management – The 2017 President's budget for BOEM is \$175.1 million, including \$80.2 million in current appropriations and \$94.9 million in offsetting

collections. This is a net increase of \$4.3 million in current appropriations above the 2016 enacted level.

The total 2017 estimate of \$94.9 million for offsetting collections is a net decrease of \$1.7 million, including reductions in rental receipts partially offset by a new \$2.9 million cost recovery fee for the Risk Management Program. An increase in direct appropriations of \$6.0 million makes up for the projected decrease in rental receipts.

The budget provides \$23.9 million for offshore renewable energy activities. To date, BOEM has issued eleven commercial wind energy leases offshore; conducted five competitive wind energy lease sales for areas offshore Maryland, Massachusetts, New Jersey, Rhode Island, and Virginia; and approved the Construction and Operations Plan for the Cape Wind project offshore Massachusetts. Additionally, BOEM is in the planning stages for wind leasing offshore New York, North Carolina, and South Carolina. In 2015, BOEM executed the first wind energy research lease in U.S. Federal waters with the Commonwealth of Virginia's Department of Mines, Minerals, and Energy.

The 2017 budget provides \$64.2 million for conventional energy development, a programmatic increase of \$4.2 million above 2016. These funds support high priority offshore oil and gas development activities, including lease sales outlined in BOEM's Five Year OCS Oil and Gas Leasing Program for 2012-2017. Under this program, BOEM's eight sales generated over \$2.97 billion in high bids. Five lease sales remain on the lease sale schedule through mid-2017. The next lease sales are Eastern Gulf of Mexico Lease Sale 226, Central Gulf of Mexico Lease Sale 241, and Western Gulf of Mexico Lease Sale 248, all scheduled to be held during 2016.

The 2017 provides \$68.4 million for BOEM's Environmental Programs. These funds support world class scientific research to provide critical information informing policy decisions regarding energy and mineral development on the OCS.

Bureau of Safety and Environmental Enforcement – The 2017 President's budget for the Bureau of Safety and Environmental Enforcement is \$204.9 million, including \$96.3 million in current appropriations and \$108.5 million in offsetting collections. The 2017 budget is a net \$196,000 increase above the 2016 enacted level, reflecting an increase of \$7.9 million in current appropriations and a \$7.7 million decrease in offsetting collections. The total 2017 estimate of \$108.5 million in offsetting collections assumes decreases from 2016 of \$11.5 million for rental receipts, \$2.2 million for cost recoveries, and a \$6.0 million increase for inspection fee collections. Funding for Oil Spill Research is maintained at the 2016 enacted level of \$14.9 million. The 2017 budget supports continued safe and responsible offshore energy development.

Office of Surface Mining Reclamation and Enforcement – The 2017 budget request is \$157.9 million, \$82.6 million below the 2016 enacted level.

The 2017 budget for Regulation and Technology is \$127.6 million, \$4.3 million above 2016. The request includes \$10.5 million, \$1.8 million above 2016, to improve implementation of existing laws and support State and tribal programs. The 2017 budget includes \$65.5 million for State and Tribal regulatory grants, this level of funding supports State requirements.

The budget includes program increases of \$2.5 million to advance the Bureau's GeoMine Project; \$1.2 million for applied science to conduct studies to advance technologies and practices specific to coal mined sites for more comprehensive ecosystem restoration; \$1.0 million to expand the use of reforestation techniques in coal mine reclamation and provide opportunities for youth and community engagement; \$2.3 million to support Technical Assistance; and \$1.6 million for National Environment Policy Act compliance document preparation, legal review, and program monitoring.

The 2017 budget for the Abandoned Mine Reclamation Fund is \$30.4 million, \$86.9 million below 2016. The 2016 enacted level included a \$90.0 million increase for grants to three States for the reclamation of abandoned mine lands in conjunction with economic and community development activities. The 2017 budget proposes a broader legislative effort to support reclamation and economic and community development as part of the Administration's POWER+ Plan. POWER+ would provide \$200 million per year to target the cleanup and redevelopment of AML sites and AML coal mine polluted waters in a manner that facilitates sustainable revitalization in economically depressed coalfield communities. The budget includes a \$1.5 million program increase for technical assistance to States, Tribes, and communities to address AML technological advances and issues for AML site reclamation. The budget also includes program increases of \$525,000 for applied science studies pertaining to abandoned mines, \$799,000 to enhance and expedite current OSMRE efforts in digitizing underground mine maps, and \$287,000 for support within the Office of the Solicitor.

U.S. Geological Survey – The 2017 budget is \$1.2 billion, \$106.8 million above 2016, to advance our national commitment to research and development that supports economic growth, balances priorities on resource use, addresses climate change, and ensures the security and well-being of the Nation. The budget improves response to and warning of natural disasters, responds to drought and other water challenges, supports sustainable domestic energy and minerals development, and advances scientific understanding of land use, land change, and the effects of resource decisions to assist communities and land managers in making choices informed by sound science.

The 2017 budget invests in the USGS's capabilities for science and innovation to monitor and respond to natural disasters with increases for priority science to help stabilize and rehabilitate ecosystems after fires and provide geospatial information, monitoring strategies, and other relevant scientific information faster for real-time fire response. Related increases build USGS' capability to respond to landslide crises, and expand the use of flood inundation mapping and rapidly deployable streamgages to meet urgent needs of flood-threatened communities lacking a permanent streamgage.

The budget continues \$8.2 million to develop the West Coast Earthquake Early Warning system to complete a production prototype system, expand coverage, and beta-test alerts. The budget continues funding of \$3.0 million to repair and upgrade monitoring stations on high-threat volcanoes. The budget includes funding to assume long-term operations of the Central and Eastern United States Seismic Network from the National Science Foundation and allows USGS to continue a five-year effort to deploy, install and improve the Global Seismic Network,

ensuring that the Network continues to provide global earthquake and tsunami monitoring, nuclear treaty research and verification, and earth science research.

The budget provides an increase of \$18.4 million for science to support sustainable water management, nearly doubling the investment made in 2016. As climate models forecast increasingly frequent and more intense droughts, improving water management science is a paramount concern for land and water management agencies, States, local governments, and Tribes. The budget would improve water use information and research, provide grants to State water resource agencies, and create hydrologic models and databases for better decision support. The budget also includes \$3.9 million for drought science and \$4.0 million to develop methods to assess regional and national water use trends during drought. Innovation is critical to address the severe threats to water supply posed by drought and climate change.

The budget provides increases across several programs to advance understanding of conventional and unconventional energy, critical minerals such as rare earth elements, and the environmental health effects of resource development. These investments include \$3.6 million to provide decision ready information to support safe and prudent unconventional oil and gas development, \$2.0 million to study the environmental impacts of uranium mining in the Grand Canyon, and \$1.0 million to identify and evaluate new sources of critical minerals and continue criticality analysis for mineral commodities.

The USGS budget increases science investments for changing landscapes, including \$9.8 million in the Arctic, \$3.0 million for the vulnerable sagebrush habitats of the Intermountain West, and \$3.9 to improve coastal science that will help communities build resilient coastal landscapes and improve post-storm contaminant monitoring network along the Atlantic coast. The budget also establishes a Great Lakes Climate Science Center to focus on the many natural resource challenges in the distinct bio-geographic Great Lakes region. As with the eight existing Climate Science Centers, the Great Lakes CSC will help address regional concerns associated with climate change, providing a pathway to resilience and supporting local community priorities.

The budget includes increases of \$2.1 million to address research on pollinator health and expand the small group of USGS researchers working on this critical component of agricultural and ecosystem health, \$1.4 million for tribal climate science partnerships, and \$2.5 million for better tools to detect and control invasive species, particularly new and emerging invasive species. The budget continues a commitment to priority ecosystems including the Chesapeake Bay, the Everglades, Puget Sound, the Upper Mississippi River, the California Bay-Delta, and the Gulf Coast.

The USGS plays a pivotal role in providing research, analysis, and decision support tools. The budget supports these efforts and includes investments to extend the four-decade long Landsat satellite program with the development of Landsat 9, and provide information to better understand and respond to changes in the environment. The 2017 budget provides an increase of \$17.6 million for satellite operations, funding the development of Landsat 9 ground systems and satellite operations and an investment to retrieve and disseminate data from the European Space Agency's Sentinel-2 earth observation satellite. The budget provides an increase of \$4.9 million to expand the three-dimensional elevation program and leverage partnerships across the Nation,

accelerate Alaskan map modernization, and provide coastal imaging to help communities make infrastructure resilience investments. The budget also provides \$3.0 million to develop the computing resources necessary to produce and disseminate Landsat-based information products.

High-quality science depends on a strong science infrastructure. The budget makes necessary investments to continue the USGS legacy of reliable, valuable scientific information and monitoring. These investments fund science support, facilities and equipment, including laboratories, and the administrative support that is the backbone of science production and delivery. The 2017 budget also includes program increases to enhance the Mendenhall post-doctoral program, support tribal science coordination, enhance science education, and engage youth in underserved communities in earth and biological sciences through outreach activities and science camps.

Fish and Wildlife Service – The 2017 budget for FWS includes current appropriations of \$1.6 billion, an increase of \$54.5 million compared to the 2016 enacted level.

The 2017 request for FWS includes \$1.3 billion for FWS operations, of which \$506.6 million supports National Wildlife Refuge System operations and maintenance. A feature of the 2017 FWS budget is support to expand opportunities for all Americans to access public lands and experience the great outdoors, regardless of where they live. With 80 percent of the U.S. population currently residing in urban communities near more than 260 wildlife refuges, Interior is leveraging the National Wildlife Refuge System to encourage urbanites to rediscover the outdoors. The request includes \$10.0 million for the Refuge System's Urban Wildlife Conservation Partnerships to expand opportunities for urban populations including an increase of \$2.0 million for additional Refuge System law enforcement officers to ensure the safety of visitors, natural and cultural resources, and Federal employees and facilities. The budget includes \$40.7 million for general Refuge Law Enforcement operations.

The request also includes funding within Law Enforcement and International Affairs to combat wildlife trafficking. The budget provides \$75.1 million for the law enforcement program to investigate wildlife crimes, enforce the laws governing the Nation's wildlife trade, and continue cooperative international efforts to prevent poaching and trade in illegal wildlife products. The request includes \$15.8 million for the International Affairs Program, an increase of \$1.1 million above 2016. This includes increases of \$500,000 to provide technical support for international efforts to reduce illegal wildlife trafficking and develop innovative conservation activities. Also within International Affairs, is \$550,000 to support the U.S. Chairmanship of the Arctic Council.

The budget invests in resources for the Refuge System which has lost more than 400 staff positions since 2010. The request for the Refuge System is \$506.6 million, an increase of \$25.2 million above 2016. This includes increases of \$1.0 million for pollinator conservation, \$3.7 million for wildlife and habitat inventory and monitoring, \$2.0 million to establish management capability across 418 million acres of submerged land and water within the Pacific Marine National Monuments, and \$4.4 million to begin rebuilding capacity within the Refuge System to improve the condition of refuge system facilities and resources, improve the visitor experience and manage natural resources.

The budget emphasizes improving the resilience of communities and wild landscapes, enabling them to better adapt to a rapidly changing environment, and uses smart investments in conservation and landscape-level planning to improve the Service's ability to facilitate economic growth, while avoiding and mitigating the impacts on wildlife and habitat.

Within the FWS main operating account, the request provides \$252.3 million for Ecological Services to conserve, protect, and enhance listed and at-risk species and their habitat, an increase of \$18.3 million. Since 2008, FWS has downlisted or delisted 15 species, more than in any other Administration. The increases within Ecological Services include \$5.7 million to support conservation, restoration and economic development across the Gulf Coast region and other parts of the Country.

The budget includes \$152.8 million for Fish and Aquatic Conservation, a program increase of \$4.6 million. Within this request is \$53.8 million for operation of the National Fish Hatchery System and \$7.9 million to combat the spread of Asian carp in the Missouri, Ohio, upper Mississippi Rivers, and other high priority watersheds. The request also includes an increase of \$1.5 million to support fish passage while improving the resilience of communities to withstand flooding.

The budget funds Cooperative Landscape Conservation at \$17.8 million, an increase of \$4.8 million above 2016. The approach employed by Landscape Conservation Cooperatives to identify landscape scale conservation solutions fosters collaboration across a wide variety of partners and builds capabilities beyond the scale any single State, Tribe, Federal agency, or community could achieve alone. The requested increase will support landscape planning and design, and partner cooperation that will improve the condition of wildlife habitat and enhance the resilience of communities.

The 2017 budget for Science Support is \$20.6 million, an increase of \$3.6 million above 2016. The request includes an additional \$1.0 million to expand application of Strategic Habitat Conservation, an approach to conservation that, in cooperation with stakeholders, identifies priority species and habitat, desired biological outcomes, and develops conservation strategies to achieve these outcomes. This approach supports the design of successful management strategies that deliver measureable improvements to wildlife populations and habitats. The FWS will use a program increase of \$2.6 million to obtain high priority data and scientific tools needed by on-the-ground resource managers.

The FWS budget includes \$137.6 million for LWCF Federal land acquisition, composed of \$58.7 million in current funding and \$79.0 million in permanent funding. Within the request for current funding, is \$19.9 million for high priority acquisition projects focused on FWS specific needs, including \$16.0 million for collaborative projects in coordination with partners and other federal agencies, and \$2.5 million to support increased access to FWS lands for sportsmen and recreationists. The FWS requests \$2.5 million in discretionary funding for the Everglades Headwaters National Wildlife Refuge and Conservation Area, one of the great grassland and savanna landscapes of eastern North America, to acquire nearly 1,000 acres to help protect high-quality habitat for 278 Federal and State listed species. Acquisition of this property would protect the headwaters, groundwater recharge, and watershed of the Kissimmee Chain of Lakes,

Kissimmee River, and Lake Okeechobee region, and improve water quantity and quality in the Everglades watershed, supporting the Comprehensive Everglades Restoration Plan goals and protecting the water supply for millions of people.

Supporting the Administration's America's Great Outdoors initiative objectives is \$106.0 million for grant programs administered by FWS. The 2017 budget maintains 2016 funding levels for grants through the Cooperative Endangered Species Conservation Fund, North American Wetlands Conservation Fund, Multinational Species Conservation Fund, and the Neotropical Migratory Bird Conservation Fund. Funding for the State and Tribal Wildlife grant program on which many States and Tribes rely to fund non-game animal conservation, is an increase of \$6.4 million.

National Park Service – The 2017 President's current budget request for NPS of \$3.1 billion is \$250.2 million above the 2016 enacted level. Highlights of the 2017 budget include \$190.5 million in increases for the NPS Centennial, as well as a focus on the stewardship of natural and cultural resources, including a \$20.0 million increase for the Historic Preservation Fund grant programs to document and preserve stories and sites related to the Civil Rights Movement.

The NPS budget request for operations is \$2.5 billion, an increase of \$154.8 million from 2016. A \$2.2 million programmatic reduction to refocus operations funding partially offsets the following increases: \$49.2 million for additional repair and rehabilitation projects, \$46.6 million for additional cyclic maintenance projects, \$20.0 million for the Every Kid in a Park initiative, \$10.7 million for new parks and responsibilities, \$8.1 million for healthcare insurance for seasonal employees, \$3.0 million for climate change adaptation projects, \$2.6 million for increased communications bandwidth at parks, \$2.0 million for the Vanishing Treasures program, \$1.2 million to address energy development near parks, \$1.1 million for Arctic science and monitoring, and \$1.0 million for uranium mining studies in the Grand Canyon.

The 2017 budget provides a total of \$35.0 million for the Centennial Challenge matching program, an increase of \$20.0 million. These funds will provide a Federal match to leverage partner donations for signature projects and programs at national parks into the NPS' second century. All Federal funds must be matched on at least a 50:50 basis. In 2016, Congress appropriated \$15 million for projects which will be matched by almost \$33 million from more than 90 park partners. This program is bolstered by the Administration's legislative proposal to fund an additional \$100.0 million a year for three years for this program as a permanent appropriation.

The 2017 request for the Historic Preservation Fund is \$87.4 million, an increase of \$22.0 million from 2016. Of this total, \$46.9 million is requested for grants-in-aid to States and Territories, which is level with 2016. A total of \$12.0 million is requested for grants-in aid to Tribes, an increase of \$2.0 million. The remaining \$20.0 million increase is for grants to document and preserve the sites and stories of the Civil Rights Movement; of which \$17.0 million is for competitive grants, and \$3.0 million is for grants to Historically Black Colleges and Universities.

The 2017 budget includes \$54.4 million for National Recreation and Preservation programs that support local community efforts to preserve natural and cultural resources. This is a decrease of \$8.2 million compared to 2016. These changes consist of a program reduction of \$10.4 million to Heritage Partnership Programs; and programmatic increases of \$0.9 million for modernization and digitization in the National Register program, \$0.8 million for the Preservation Technology and Training grants program, \$0.3 million for the Federal Lands to Parks program, and fixed costs increases.

Construction funding totals \$252.0 million, \$59.1 million above 2016. This request provides funding critical to the implementation of the Centennial initiative to make a meaningful impact on the NPS deferred maintenance backlog. The budget includes \$153.3 million for line-item construction projects, a \$37.1 million increase, which will fund projects such as the \$13.2 million rehabilitation of the Paradise Inn Annex and snow bridge connection at Mount Rainier National Park in Washington, and \$13.9 million for the final phase of the rehabilitation of the El Portal sanitary sewer to prevent raw sewage spills at Yosemite National Park in California.

The 2017 current funding request for LWCF Land Acquisition and State Assistance is \$178.2 million, an increase of \$4.6 million from 2016. This includes \$110.0 million for State Assistance grants, maintaining the increase provided in 2016. The budget requests \$68.2 million for Federal Land Acquisition, an increase of \$4.6 million. This provides \$26.6 for projects addressing NPS specific needs, \$10.8 million for collaborative acquisition projects, \$2.0 million for projects to improve recreation access, and \$10.0 million for American Battlefield Protection Program acquisition grants. A high priority for NPS, the Hawaii Volcanoes National Park is also part of the Island Forests at Risk collaborative landscape proposal. An investment of \$6.0 million would allow NPS to begin acquisition of a parcel which protects the hawksbill and Green turtles, and island monk seal habitat, and contains anchialine pond communities and coastal strands of endangered plants. Significant archaeological sites, cultural landscapes, petroglyphs and ancient trails are also present. Time is a concern as the area faces potential rezoning from conservation to medium density urban and resort development.

Indian Affairs - The 2017 President's budget for Indian Affairs is \$2.9 billion in current appropriations, \$137.6 million above the 2016 level. Funding for the main operating account for Indian Affairs, Operation of Indian Programs is \$2.4 billion, \$127.9 million above 2016. The 2017 request for Construction is \$197.0 million, \$3.0 million above 2016.

The 2017 budget supports continuing efforts to advance self-governance and self-determination, improve educational outcomes for American Indian children, support human services activities, prudently manage tribal natural resources, build stronger economies and self-sufficiency, and maintain safer Indian communities.

Key to self-governance and self-determination is full funding for Contract Support Costs. The 2017 request includes \$278.0 million for Contract Support Costs, \$1.0 million above 2016, which will fully fund these costs based on the most recent analysis. As in the 2016 enacted bill, the budget requests funding for Contract Support Costs in a separate dedicated current account. To further stabilize long-term funding, the 2017 budget includes a legislative proposal to reclassify these costs as permanent funding beginning in fiscal year 2018.

The Interior budget proposes a \$1.1 billion investment in Indian education and construction to continue to support the transformation of the BIE to support Tribes in educating their youth, and deliver an improved and culturally appropriate education across Indian Country. The budget includes \$49.3 million in increases across a number of programmatic areas in BIE related to the transformation.

The budget includes \$138.3 million for Education Construction, maintaining the \$63.7 million increase provided in 2016. The request will provide the funding stability necessary to develop an orderly education construction pipeline and properly pace projects. The 2016 enacted appropriation will replace two remaining BIE school campuses on the 2004 priority list—Little Singer Community School and Cove Day School, both in Arizona — and support planning for the schools identified on the new school replacement construction list nearing finalization. The 2017 funding will be applied to construction costs for projects chosen from the new list.

To further higher education, the budget includes increases of \$9.4 million for scholarships, adult education and tribal colleges and universities; and \$3.6 million for Johnson O'Malley education grants to provide additional resources to tribes and organizations to meet the unique and specialized educational needs of American Indian and Alaska Native students.

To foster public-private partnerships to improve the student experience at BIE-funded schools, the 2017 budget again proposes appropriations language enabling the Secretary to reactivate the National Foundation for American Indian Education. The proposed bill language will initiate a foundation focused on fundraising to create opportunities for Indian students in and out of the classroom.

As part of the President's commitment to protect and promote the development of prosperous tribal communities, Indian Affairs proposes to expand the Tiwahe "family" initiative. This effort takes an integrated approach to address the inter-related challenges impacting the lives of youth, families, and communities in Indian Country—including poverty, violence, and substance abuse. The Tiwahe approach seeks to empower individuals and families through health promotion, family stability, and strengthening communities as a whole.

The 2017 budget expands the Tiwahe initiative with increases totaling \$21.0 million for programs in social services, Indian Child Welfare Act, housing, tribal courts, and job placement and training. To better focus funding and evaluate outcomes in meeting social service needs in Indian Country, the Department will evaluate social service and community development needs in Indian Country in 2016. The evaluation will inform programmatic design, assessments, management, and budgeting.

The budget contains a number of increases to support tribal nation-building and economic development. The budget includes \$4.0 million for a Native One-Stop Support Center to make it easier for Tribes to find and access hundreds of services available to Tribes across the Federal government. The 2017 budget includes \$1.0 million to help Tribes adopt uniform commercial codes which help build the legal infrastructure on reservations to promote credit and other capital transactions. The budget provides \$12.0 million to enable Interior to work with American

Indian/Alaskan Native communities to improve Federal data quality and availability, to create a reimbursable agreement with the Census Bureau to address data gaps in Indian Country, and to create an Office of Indian Affairs Policy, Program Evaluation, and Data to support effective, data-driven, tribal policy making and program implementation. The budget also proposes \$1.3 million increase for the Small and Needy Tribes program to assist eligible Tribes in expanding and sustaining tribal governance.

The 2017 budget strongly supports sustainable stewardship of trust lands, natural resources, and the environment in Indian Country. These priorities include the protection and restoration of ecosystems and important landscapes; stewardship of land, water, ocean, and energy resources; resilience in the face of a changing climate; and clean and sustainable energy development.

The budget provides a \$15.1 million program increase over 2016 across eight natural resource programs to support Tribes in developing science, tools, training, planning, and implementation of actions to build resilience into resource management, infrastructure, and community development activities. Funding will be set-aside to support Alaska Native Villages in the Arctic and other critically vulnerable communities to evaluate options for the long-term resilience of their communities. The budget also includes \$2.0 million to address subsistence management in Alaska to better prepare for the impacts of climate change, as part of an ongoing commitment to improve the Nation's resilience. In addition, the budget includes a total increase of \$8.7 million for trust real estate service activities to reinforce the stewardship of trust resources. The expanded capacity will address the probate backlog, land title and records processing, geospatial support needs, and database management in addition to providing expanded technical and legal support for authorized settlements involving tribal water rights.

The 2017 budget request for Indian Land and Water Claim Settlements is \$55.2 million, a \$5.7 million increase over the 2016 enacted level for payments on enacted settlements. The budget includes \$25.0 million for the final payment to the Aamodt settlement and \$10.0 million in one-time funding to provide the Yurok Tribe, located in Northern California, funds to acquire lands as authorized in the Hoopa-Yurok Settlement Act. This acquisition supports efforts by the Yurok Tribe, State of California, private foundations and individual donors to conserve over 47,000 acres of the Klamath-Siskiyou ecoregion to ensure the long-term health of temperate forests, rare wildlife, and extraordinary runs of wild salmon. The land, to be conserved as a salmon sanctuary and sustainable community forest, will restore the Yurok Tribe's historic connection to the land, support the Yurok economy through jobs in forestry and restoration, and provide revenue to the Tribe through sustainable timber and salmon harvests and the sale of carbon credits. The budget also includes increases totaling \$12.9 million in the Operation of Indian Programs account to provide expanded technical and legal support for tribal water rights settlement negotiations and implementation. A reduction of \$29.2 million in the settlement account reflects completion of the Taos Pueblos water settlement in 2016.

The 2017 budget request for the Indian Guaranteed Loan Program is \$7.8 million, the same as 2016, which will provide loan guarantee and insurance authority for \$106.0 million in loan principal to support Indian economic development.

Departmental Offices – The 2017 budget request for Departmental Operations is \$278.4 million, a decrease of \$443.4 million below the 2016 enacted level. The decrease reflects a reduction of \$452.0 million associated with the Payments in Lieu of Taxes program. In 2017, the budget proposes to fund PILT as permanent funding not subject to appropriation. State and local governments depend on PILT funding to finance such vital services as firefighting and police protection, construction of public schools and roads, and search and rescue operations. Providing a mandatory source of funding will create greater certainty that PILT investments will be available in future years. The budget proposes mandatory PILT funding for one year, while a sustainable long-term funding solution is developed for the program.

The budget proposes program increases of \$1.5 million for work with the National Invasive Species Council to develop an Early Detection Rapid Response framework. Early detection and rapid response (EDRR) has the potential to result in significant cost savings, as compared to battling invasive species such as Asian carp, cheatgrass, and emerald ash borer once established. The EDRR request support multiple pilot projects to demonstrate early detection and rapid response approaches, as well as conducting assessments to identify current capacities and gaps in capacities to implement EDRR.

The budget includes \$1.0 million for Native Hawaiian community development through capacity building and technical assistance. This request will allow the Department to provide support to Native Hawaiians similar to the capacity building and technical assistance the Department provides to other Native Americans, and the Insular areas consistent with the Hawaiian Homes Commission Act and Hawaiian Homes Land Recovery Act. The Department will work with the Native Hawaiian community on a variety of economic, social, and cultural projects.

The 2017 Budget includes critical investments to ensure effectiveness and compliance of Interior information technology investments. The request includes \$3.0 million to develop a Digital Service Team responsible for driving the efficiency and effectiveness of the Department's highest-impact digital services. Additional information technology investments are proposed under the Working Capital Fund appropriated account.

Within the request for Departmental Operations is \$129.3 million for Office of Natural Resources Revenue's receipts management programs, \$3.8 million above 2016. The increase includes \$968,000 to fully fund Osage Trust Accounting responsibilities in compliance with the Osage settlement agreement; \$1.0 million to expand Geospatial Information Systems; and \$1.2 million to strengthen ONRR's audit and compliance mission activities.

The 2017 request for the Office of Insular Affairs is \$102.7 million, \$12.4 million above the 2016 level excluding Palau Compact Extension funding of \$13.1 million. The 2017 budget proposes \$149.0 million in permanent funding to support enactment of a new Compact with Palau. The appropriated funding request includes increases of \$4.0 million for community, landscape and infrastructure adaptation and resilience initiatives; \$3.9 million to improve health and safety conditions in insular school facilities; \$2.0 million to implement energy projects; \$2.0 million for Coral Reef Initiative and Natural Resources; \$1.6 million for direct technical assistance grants; and \$1.0 million to support invasive species eradication efforts, including the coconut rhinoceros beetle and little fire ant. Brown Treesnake Control is funded at \$3.0 million,

a program decrease of \$500,000, reflecting completion of an automated aerial bait system in 2015. The budget requests \$3.3 million for Compact of Free Association, level with 2016, excluding \$13.1 million provided for Palau Compact Extension in 2016.

The budget includes \$69.4 million for the Office of the Solicitor, \$3.6 million above 2016 to support additional personnel and necessary legal services for delivering the Department's mission. The Office of the Solicitor's ability to provide early and continuous legal counsel in new priority areas to ensure that developing programs are grounded in established legal principles and precedents is absolutely vital. The requested increase will allow the Office of the Solicitor to provide the much needed preventive assistance that is lost to the demands of non-discretionary litigation. The additional funding will also be used to restart the Honors Program, where recent law graduates are hired at the entry level and trained to assume senior positions. This program will ensure DOI has experienced lawyers as many senior staff becomes eligible for retirement.

The request for the Office of the Inspector General is \$55.9 million, \$5.9 million above 2016 to support audits concerning Offshore Energy Oversight, Indian Country, and Cybersecurity, and Offshore Energy Investigations.

The Office of the Special Trustee request is \$140.4 million, \$1.4 million above 2016. The budget includes increases of \$1.5 million to provide additional estate planning opportunities to Indian Trust beneficiaries; \$1.3 million for an appraiser training program to address the shortage of qualified appraisers and the resulting delays in completing appraisal evaluations; \$1.5 million to enhance talent management capabilities and systems automation; and less than \$400,000 to modernize and improve business processes and enhance the Trust Funds Accounting System. These increases are partially offset by a \$3.4 million reduction in funding for Historical Trust Accounting based on anticipated workload levels.

Department-wide Programs – The 2017 request for the Department's Wildland Fire Management program is \$824.6 million without the proposed fire cap adjustment, and \$1.1 billion including the adjustment. The base budget includes \$276.3 million for fire suppression, which is 70 percent of the 10 year suppression average spending. The cap adjustment of \$290.0 million covers the remaining 30 percent of the 10-year average and provides a contingency. The cap adjustment would only be used for the most severe fires, since it is two percent of the fires that cause 30 percent of the costs. The new budget framework for Wildland Fire Management eliminates the need for additional funds through the FLAME Act.

The 2017 budget includes \$179.1 million for Fuels Management and Resilient Landscapes subactivities, \$9.1 million above 2016 enacted. Of this, \$30.0 million is proposed in a new Resilient Landscapes subactivity to build on resilient landscapes activities supported by Congress in 2015 and 2016. This equates to a \$20.0 million increase for the program to take better advantage of the shared goals of bureau resource management programs to treat large landscapes to achieve and maintain fire-adapted ecosystems that both reduce the threat of catastrophic wildfire and achieve restoration and other ecological objectives. The increase for Resilient Landscapes is partially offset with a program realignment of \$21.7 million in the Fuels Management program from 2016.

Other highlights in the Wildland Fire Management budget include an increase of \$6.9 million in Preparedness to maintain or strengthen initial and extended attack capacity. Specific increases include \$2.8 million to enhance the initial attack capability of rural fire departments and rural fire protection associations. The budget includes program increases of \$1.6 million to purchase replacement vehicles for the BIA fire program and \$1.5 million to cover utility costs for the Alaska Fire Service's leased space. The budget includes \$20.4 million for Burned Area Rehabilitation, a \$1.5 million increase to address greater post-fire rehabilitation needs caused by the 2015 and 2016 fire seasons; and \$10.0 million for Facilities Construction and Deferred Maintenance, a \$3.6 million increase to address the deferred maintenance backlog.

The 2017 budget request for the Central Hazardous Materials Fund is \$13.5 million, \$3.5 million above 2016, to fund the remedial design for the Red Devil Mine cleanup in Alaska. The 2017 request for Natural Resource Damage Assessment and Restoration is \$9.2 million, \$1.5 million above 2016 to increase restoration activities.

The 2017 budget proposes \$111.5 million for the appropriated portion of the Department's Working Capital Fund, \$44.4 million above 2016. The majority of the increase, \$24.7 million, continues cybersecurity remediation in the wake of the serious cyber intrusions experienced during 2015. Other increases include: \$10.2 million to support the Department's multi-year effort to implement requirements identified under the Digital Accountability and Transparency Act, known as the DATA Act, and monitor compliance; \$5.2 million for the Department's Office Consolidation Strategy; \$2.6 million to fund Federal Information Technology Acquisition Reform Act coordination and reporting activities for the Department; \$1.0 million for Cultural and Scientific Collections; and \$702,000 for Service First activities.

Legislative Proposals

The 2017 President's budget includes a suite of legislative and offsetting collection proposals affecting spending, revenues, and available budget authority that require action by the Congressional authorizing committees. These mandatory proposals address a range of Administration priorities, from investing in high-priority conservation and recreation programs to achieving a fair return to the American taxpayer from the sale of Federal resources and reducing unnecessary spending. The 2017 budget includes seven spending proposals with an estimated \$18.0 billion in outlays over the next decade. This spending is partially offset by revenue and savings proposals to reduce outlays from the Treasury by an estimated \$4.5 billion over the next decade.

Gulf of Mexico Energy Security Act and the Coastal Climate Resilience Program—The Administration is committed to ensuring American taxpayers receive a fair return from the sale of public resources and taxpayers throughout the Country benefit from the development of offshore energy resources owned by all Americans. The Gulf of Mexico Energy Security Act of 2006 opened some additional areas in the Gulf of Mexico for offshore oil and gas leasing, while maintaining moratoria on activities east of the Military Mission Line and within certain distances from the coastline of Florida. The Act provides that 37.5 percent of Outer Continental Shelf revenues from certain leases be distributed to just four coastal States—Alabama, Louisiana,

Mississippi, and Texas—and their local governments based on a complex allocation formula. The Administration proposes to repeal GOMESA revenue-sharing payments to these select States from Gulf of Mexico oil and gas leases, which are set to expand substantially starting in 2018.

More than half of the savings, \$2.0 billion, from the repeal of GOMESA revenue sharing payments to States will be redirected to a new Coastal Climate Resilience Program to provide resources for at-risk coastal States, local governments, and their communities to prepare for and adapt to climate change. A portion of these program funds would be set aside to cover the unique impacts of climate change in Alaska where some native villages are so threatened by rising seas, coastal erosion, and storm surges, that they must prepare for potential relocation.

Historic Preservation Fund – The budget includes a legislative proposal to extend the authority to deposit \$150.0 million in receipts from offshore oil and gas revenues annually into the Historic Preservation Fund.

Bureau of Indian Affairs Contract Support Costs – The budget includes a legislative proposal to reclassify funding for the existing Contract Support Costs program from discretionary to mandatory beginning in fiscal year 2018. The budget proposes to adjust the discretionary budget caps to reflect the reclassification to mandatory funding. New contract support cost estimates will be provided on a three-year cycle as part of the reauthorization process.

POWER+ Accelerate AML Distribution for Mine Cleanup and Economic Recovery – The budget proposes to allocate a portion of the remaining unappropriated balance of the Abandoned Mine Lands Fund to target the cleanup and redevelopment of AML sites and AML coal mine polluted waters in a manner that facilitates sustainable revitalization in economically depressed coalfield communities. The proposal will provide \$1.0 billion over five years to States based on AML program and economic eligibility factors—such as the unemployment rate of coal mining regions—and remaining priority coal problems, including abandoned mine drainage, where reclamation linked to job creating economic development strategies will help revitalize impacted communities.

United Mineworkers of America Pension Reform – The budget proposes to better provide for retired coal miners and their families by revising the formula for general fund payments to the 1993 UMWA Health Benefit Plan. The new formula will consider all beneficiaries enrolled in the plan as of enactment, as well as those retirees whose health benefits were denied or reduced as the result of a bituminous coal industry bankruptcy proceeding commenced in 2012. Additionally, the proposal will transfer funds through the Pension Benefit Guaranty Corporation to the trustees of the 1974 UMWA Pension Plan to ensure the plan's long-term solvency. The plan, which covers more than 100,000 mineworkers, is underfunded and approaching insolvency. The new formula will provide an additional \$375.0 million to the UMWA in 2017 and \$4.2 billion over 10 years.

Land and Water Conservation Fund – The budget proposes \$900.0 million in combined current and mandatory funding in 2017, and starting in 2018, the budget proposes permanent authorization of \$900.0 million in mandatory funding for LWCF programs in the Departments of

the Interior and Agriculture. During a transition to mandatory funding in 2017, the budget proposes \$425.0 million for mandatory funding and \$475.0 million for current funding, to be shared by Interior and Agriculture.

National Parks Centennial Act – The budget proposes enactment of legislation, the National Park Service Centennial Act, to honor the Park Service’s 100th anniversary. The Act specifically authorizes the following: \$100.0 million a year for three years for the Centennial Challenge to leverage private donations; \$300.0 million a year for three years for NPS deferred maintenance; and \$100.0 million a year for three years for a Public Lands Centennial Fund, which will competitively allocate funds for projects on public lands to enhance visitor services and outdoor recreation opportunities, restore lands, repair facilities, and increase energy and water efficiency. The availability of mandatory funding to address deferred maintenance and other conservation projects will allow NPS to plan ahead more efficiently to achieve significant results. Stable and predictable funding streams will allow projects to be appropriately scheduled and phased for more effective project delivery and completion. The proposal includes the authority to collect additional camping or lodging fees, and funds from purchases of the lifetime pass for citizens 62 years of age or older. Receipts for this Second Century Fund will be matched by donations in order to fund visitor enhancement projects. The impact of this new revenue source is estimated at \$40.4 million in 2017. Also included is a proposal to establish a program to allow a Visitor Services Management Authority to award and manage contracts for the operation of commercial visitor services programs and activities.

Federal Land Transaction Facilitation Act – The budget proposes to reauthorize this Act which expired on July 25, 2011, to allow lands identified as suitable for disposal in recent land use plans to be sold using this authority. The sales revenue will be used to fund the acquisition of environmentally sensitive lands and administrative costs associated with conducting the sales.

Recreation Fee Program – The budget proposes legislation to permanently authorize the Federal Lands Recreation Enhancement Act, authorized through September 30, 2017. The program currently brings in an estimated \$335 million in recreation fees annually under this authority that are used to enhance the visitor experience on Federal land recreation sites.

Federal Oil and Gas Reforms – The budget includes a package of legislative reforms to bolster administrative actions to reform management of Interior’s onshore and offshore oil and gas programs, with a key focus on improving the return to taxpayers from the sale of these Federal resources and on improving transparency and oversight. Proposed statutory and administrative changes fall into three general categories: advancing royalty reforms, encouraging diligent development of oil and gas leases, and improving revenue collection processes. Collectively, these reforms will generate roughly \$1.7 billion in revenue to the Treasury over 10 years, of which \$1.2 billion will result from statutory changes. Many States also will benefit from higher Federal revenue sharing payments as a result of these reforms.

Palau Compact – On September 3, 2010, the U.S. and the Republic of Palau successfully concluded the review of the Compact of Free Association and signed a 15-year agreement that includes a package of assistance. The budget assumes authorization of mandatory funding for the Compact in 2017 to strengthen the foundations for economic development in Palau by

developing public infrastructure and improving health care and education. The cost for this proposal for 2017-2024 is \$149.0 million.

Payments in Lieu of Taxes – The budget proposes to extend PILT mandatory funding for an additional year with the current PILT payment formula based on the amount of Federal land within an eligible unit of local government, its population, and certain other Federal payments the local government may receive. The cost of a one-year extension of the PILT program is estimated to be \$480.0 million in 2017.

Reclamation of Abandoned Hardrock Mines – The budget proposes to create an Abandoned Mine Lands Program for abandoned hardrock sites financed through a new AML fee on hardrock production on both public and private lands. The fee is estimated to generate \$1.8 billion through 2026 to reclaim the highest priority hardrock abandoned sites on Federal, State, tribal, and private lands.

Reform Hardrock Mining on Federal Lands – The budget proposes to institute a leasing program under the Mineral Leasing Act of 1920 for certain hardrock minerals, including gold, silver, lead, zinc, copper, uranium, and molybdenum, currently covered by the General Mining Law of 1872. Half of the receipts will be distributed to the States in which the leases are located and the remaining half will be deposited in the U.S. Treasury. The proposal is projected to generate revenues to the U.S. Treasury of \$80.0 million over 10 years, with larger revenues estimated in following years.

Return Coal Abandoned Mine Land Reclamation Fees to Historic Levels – The budget proposes legislation to modify the 2006 amendments to the Surface Mining Control and Reclamation Act, which lowered the per-ton coal fee companies pay into the AML Fund. The proposal would return the current fee of 28 cents per ton of surface mined coal to 35 cents a ton, the same level companies paid prior to the 2006 fee reduction. The additional revenue, estimated at \$258 million over ten years, will be used to reclaim high priority abandoned coal mines and reduce a portion of the estimated \$6.0 billion needed to address remaining dangerous coal AML sites nationwide.

Termination of AML Payments to Certified States – The 2017 budget proposes to discontinue unrestricted payments to States and Tribes certified for completing their coal reclamation work. This proposal terminates all such payments with estimated savings of \$520.0 million over the next ten years.

Termination of EPAct Geothermal Payments to Counties – The 2017 budget proposes to repeal Section 224(b) of the Energy Policy Act of 2005 to permanently discontinue payments to counties and restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in estimated savings of \$41.0 million over ten years.

Bureau of Land Management Foundation – The budget proposes to establish a congressionally chartered National BLM Foundation to leverage private funding to support public lands, achieve shared outcomes, and focus public support on the BLM mission.

National Foundation for American Indian Education – The budget proposes appropriations language enabling the Secretary to reactivate a foundation created by Congress in 2000 to generate private donations in support of the mission of the Bureau of Indian Education. The proposal will allow the foundation to start anew to obtain nonprofit tax exempt status, with a new Board of Directors focused on making the foundation a successful fund raising entity.

Migratory Bird Hunting and Conservation Stamp Act - Duck Stamp – The budget includes a legislative proposal to provide limited authority to increase the price of a Duck Stamp, with the approval of the Migratory Bird Conservation Commission, to keep pace with inflation.

Wildland Fire Suppression Disaster Cap Adjustment – The budget proposes to amend the Balanced Budget and Emergency Deficit Control Act to establish a new framework for funding Fire Suppression Operations to provide stable funding, while minimizing the adverse impacts of fire transfers on the budgets of other programs. Under this new framework, the 2017 budget request covers 70 percent of the 10-year suppression average within the domestic discretionary cap or \$276.3 million for the Department of the Interior. This base level ensures the cap adjustment will only be used for the most severe fire activity as two percent of the fires incur 30 percent of the costs. Only extreme fires that require emergency response or are near urban areas or activities during abnormally active fire seasons—which rightly should be considered disasters—will be permitted to be funded through the adjustment to the discretionary spending limits. For 2017, the request for the budget cap adjustment for the Department is \$290.0 million. The cap adjustment does not increase overall spending, as the ceiling for the existing disaster relief cap will be reduced by the same amount as the increase required for fire suppression.

Offsetting Collections and Fees

Bureau of Ocean Energy Management Risk Management Fee – The budget proposes appropriations language for a new cost recovery fee to recoup funds for services rendered by the Risk Management Program. The program is critical to protecting the American taxpayer from becoming financially responsible for liabilities associated with oil and gas and renewable energy operations on the Outer Continental Shelf. This proposed fee will generate an estimated \$2.9 million annually, fully offsetting the requested risk management programmatic increase in 2017.

Bureau of Safety and Environmental Enforcement Inspection Fee – The budget includes appropriations language modifying and expanding the enacted inspection fee language to clarify that facilities subject to multiple inspections are subject to additional fees for each inspection. The BSEE estimates the inspection fees will generate \$65.0 million in 2017.

Fee for Onshore Oil and Gas Inspections – Through appropriations language, Interior proposes to implement inspection fees in 2017 for onshore oil and gas activities subject to inspection by BLM. The proposed inspection fees are expected to generate \$48.0 million in 2017, level with 2016. The fees are similar to those already in place for offshore operations and will support Federal efforts to increase production accountability, safety, and environmental protection.

Grazing Administrative Fee – The budget proposes a grazing administrative fee to offset costs to administer the program. The budget proposes to implement a fee of \$2.50 per animal unit month through appropriations language on a pilot basis. Interior estimates the fee will generate \$16.5 million in 2017 to support the Rangeland Management program at the 2016 level. During the period of the pilot, BLM will work to promulgate regulations to continue this cost recovery fee administratively, once the pilot expires.

National Wildlife Refuge Damage Cost Recovery – The budget includes appropriations language to authorize the Fish and Wildlife Service to retain recoveries for the cost to restore or replace damaged habitat from responsible parties.

Conclusion

Thank you for the opportunity to testify on the President's 2017 budget request for the Department of the Interior. This budget is responsible, and proposes to maintain core capabilities with targeted investments to advance the stewardship of lands and resources, renewable energy, oil and gas development and reforms, water conservation, youth employment and engagement, and improvements in the quality of life in Indian communities. I thank you again for your continued support of the Department's mission. I look forward to answering questions about this budget. This concludes my written statement.

Sally Jewell

Secretary of the Interior

Sally Jewell was sworn in as the 51st Secretary of the Interior on April 12, 2013.

In nominating Jewell, President Obama said, "She is an expert on the energy and climate issues that are going to shape our future. She is committed to building our nation-to-nation relationship with Indian Country. She knows the link between conservation and good jobs. She knows that there's no contradiction between being good stewards of the land and our economic progress; that in fact, those two things need to go hand in hand."

As Secretary of the Interior, Jewell leads an agency with more than 70,000 employees. Interior serves as steward for approximately 20 percent of the nation's lands, including national parks, national wildlife refuges, and other public lands; oversees the responsible development of conventional and renewable energy supplies on public lands and waters; is the largest supplier and manager of water in the 17 Western states; and upholds trust responsibilities to the 566 federally recognized American Indian tribes and Alaska Natives.

Prior to her confirmation, Jewell served in the private sector, most recently as President and Chief Executive Officer of Recreation Equipment, Inc. (REI). Jewell joined REI as Chief Operating Officer in 2000 and was named CEO in 2005. During her tenure, REI nearly tripled in business to \$2 billion and was consistently ranked one of the 100 best companies to work for by Fortune Magazine.

Before joining to REI, Jewell spent 19 years as a commercial banker, first as an energy and natural resources expert and later working with a diverse array of businesses that drive our nation's economy. Trained as a petroleum engineer, Jewell started her career with Mobil Oil Corp. in the oil and gas fields of Oklahoma and the exploration and production office in Denver, Colo. where she was exposed to the remarkable diversity of our nation's oil and gas resources.

An avid outdoorswoman, Jewell finds time to explore her backyard in the Pacific Northwest where she enjoys skiing, kayaking, hiking and other activities. She has scaled Mount Rainier on seven occasions, and recently climbed Vinson Massif, the highest mountain in Antarctica.

Jewell has worked to ensure that public lands are accessible and relevant to all people from all backgrounds, and to build a connection between the great outdoors and a new generation of Americans.

Jewell is a graduate of the University of Washington. She and her husband, Warren, have two adult children, Peter and Anne.

Mike Connor

Deputy Secretary of the Interior

Michael L. Connor serves as Deputy Secretary of the U.S. Department of the Interior. President Obama nominated Connor for the position in July 2013 and the U.S. Senate confirmed him without opposition in February 2014.

As Deputy Secretary, Connor is the second highest ranking official at the Interior Department with statutory responsibilities as the Chief Operating Officer of an agency of more than 70,000 employees and an annual budget of approximately \$12 billion. Connor is a key leader in implementing the Administration's priorities for the Department of the Interior, including water policy and relations in the face of an unprecedented Western drought, as well as serving as the head of the Department's Land Buy-Back Program, the land consolidation component of the Cobell Settlement.

Connor has more than two decades of experience in the public sector, having served as the Commissioner of the Bureau of Reclamation from 2009 to 2014, where he led efforts to promote the sustainable use of water to effectively address current and future challenges associated with water supply and power generation in the American West. As Commissioner, he forged major Indian water rights settlements and worked to resolve water conflicts in California, New Mexico, Oregon and other western states. Connor led the Department of the Interior's efforts and completed two major binational agreements with Mexico on the Colorado River that have received international attention and acclaim. Connor also directed Reclamation's efforts to expand hydropower generation at existing facilities.

From 2001 until his confirmation as Reclamation Commissioner, Connor served as Counsel to the U.S. Senate Energy and Natural Resources Committee where he helped enact a significant amount of legislation addressing issues involving both the Bureau of Reclamation and the U.S. Geological Survey, as well as Native American issues that were within the Energy Committee's jurisdiction. Connor previously served in the Department of the Interior from 1993 to 2001 in the Solicitor's Office, and then as Director of the Secretary's Indian Water Rights Office where he led the Department of the Interior's efforts on a number of important water rights settlements.

Connor received his J.D. from the University of Colorado Law School and is admitted to the bars of Colorado and New Mexico. A native of New Mexico, he previously received a Bachelor of Science degree in Chemical Engineering from New Mexico State University and worked for General Electric.

Kristen Sarri
Principal Deputy Assistant Secretary
Policy, Management and Budget

Kristen Sarri is the Principal Deputy Assistant Secretary of Policy, Management and Budget at the Department of the Interior. President Obama nominated her for the position of Assistant Secretary in January 2015.

Ms. Sarri provides overall policy direction, leadership, guidance, and assistance on behalf of the Secretary on a broad range of management, operational and policy issues. She oversees the development and presentation of the annual budget request to the Office of Management and Budget and Congress. She is the key official on issues related to human resources, technology, safety, and real property. She also guides policy on a broad set of Departmental issues, including the Land and Water Conservation Fund, invasive species, wildfire management, ocean and coasts, sustainability, and environmental compliance, among others.

Ms. Sarri is in charge of the Office of Native Hawaiian Relations, which is responsible for serving as a liaison to the Native Hawaiian Community and working with the Department and its bureaus on issues affecting Hawaii. It is also administers the responsibilities of the Hawaiian Homes Commission Act.

Prior to coming to the Department of the Interior, Ms. Sarri served as the Associate Director for Legislative Affairs at the Office of Management and Budget from 2011 to 2014. She guided the President's budget request through Congress and developed legislative strategies relating to appropriations and broader budget issues. From 2010 to 2011, she served as Deputy Director of the Office of Policy and Strategic Planning at the Department of Commerce and was the Secretary's principal advisor on oceans, fisheries, climate, energy, weather and budget issues.

Before joining the Obama Administration, Ms. Sarri worked in the United States Senate for nine years. She served as a Democratic Professional Staffer for the Senate Committee on Commerce, Science, and Transportation; a Senior Policy Advisor for Senator Jack Reed; and, the Legislative Director for the bipartisan Northeast-Midwest Senate Coalition. Ms. Sarri received a B.A. from Washington University and an M.P.H. and M.S. from the University of Michigan.

Ms. Sarri is an avid University of Michigan football fan. She also enjoys scuba diving, hiking and kayaking.

Mr. CALVERT. And with that, we are going to start with our chairman, Mr. Rogers.

STREAM PROTECTION RULE

Mr. ROGERS. Well, thank you, Mr. Chairman. Madam Secretary, the stream protection rule that I referred to has been a boondoggle wrought with controversy from day one. Congress and the courts have both weighed in with concerns about the substance and the process of this rulemaking. Most recently in the 2016 omnibus bill we told OSM to consult the statute and consult with their State partners. OSMRE has supposedly been rewriting the stream protection rule in coordination with several States, including Kentucky. But I have heard from several of these States that their input has not been solicited or incorporated by OSMRE throughout the process.

As you know, under SMCRA, you are required by law to work with the States on this rule and to incorporate their input before finalizing that rule. That rule is expected to destroy over 280,000 jobs in Appalachia and elsewhere, and I am extremely concerned about how the Department managed the development of this rule, ensuring that States have a role in the process.

Can you tell me how much we have spent so far on this rule to date?

Secretary JEWELL. Kris, do you have a number in terms of what we spent?

Ms. SARRI. We do not have that number.

Secretary JEWELL. No, we do not. We will have to get back to you with that. Would you like me to comment, though, on the process?

Mr. ROGERS. Please, but surely we have some idea of the cost.

Ms. SARRI. I just do not have that number with me, so I want to make sure I give you an accurate number. I will try to get that right now.

Mr. ROGERS. What is your estimate?

Ms. SARRI. I think the director at one point had put an estimate of \$6 million.

Secretary JEWELL. Our team is scrambling in the notebooks behind, so before I finish answering this question, hopefully we will have some sense. It sounds like we will have to get back to you for the record.

Mr. ROGERS. All right.

[The information follows:]

STREAM PROTECTION RULE

OSMRE has spent approximately \$10.5 million to develop the rule. This includes \$6.5 million in obligations for contract support to develop portions of a draft environmental impact statement (DEIS) and the regulatory impact analysis (RIMA); and \$4.0 million for staff, travel, facilitator for hearings and other items.

Secretary JEWELL. Let me just say that it has been an incredibly long process. I appreciate that. The Office of Surface Mining Reclamation and Enforcement did engage with States early on and took that input. They published the draft Environmental Impact Statement on July 17th with a proposed rule 10 days later. They conducted six public hearings, one of them in Lexington, Kentucky, most of them in coal country throughout the Nation. And they are

analyzing just shy of 100,000 comments received during the comment period. We have also had 15 meetings with 13 different States. I understand the State of Kentucky declined to meet with us, but we would welcome their participation.

We are taking that State input, and we will use that certainly to advise the final rule based on this process. At this point, we would welcome participation from your State. We do believe this rule is essential. The stream buffer zone rule put in place in 2008 was vacated, so we feel we need to address very real water quality issues and the impact to the watersheds of the mining practices. And that is what this rule intends to do.

Mr. ROGERS. Specifically, in the omnibus bill, OSM is required to provide the States with all technical reports, data, analyses, comments received, and drafts relating to the environmental reviews, draft environmental statements, the final EIS. They are also required to meet with any primacy State at the request of that State. Those congressional directives are in direct response to OSMRE's failure to work with the States in a collaborative manner as partners, if you will, in the development of the proposed rule and draft EIS. It is absolutely essential that this failure be corrected so that States will be more involved in the rulemaking process as the law requires.

In response to the language in the omnibus bill, how have the Department and the Agency taken steps to begin working collaboratively with the States on the stream protection rule?

Secretary JEWELL. Two comments. Certainly we fully intend to comply with the language in the omnibus, and the reference documents that were specified in the language should be available very soon, and will be provided to States as well as posted on our public Website soon thereafter. They are being compiled as we speak and will be released relatively soon.

Mr. ROGERS. How soon will it be?

Secretary JEWELL. My language says shortly after February 29th. This is now March 2nd, so I do not know an exact date, but soon.

We also have held, as I mentioned, 15 meetings already with 13 different States. There are several States that have chosen not to meet with us including Kentucky, but we would welcome their participation and value their input.

Mr. ROGERS. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. Ms. Lowey.

Ms. LOWEY. Well, thank you, Mr. Chairman, and thank you again for your important work.

WILDLIFE TRAPS

I am extremely concerned about the use of body gripping traps within the national wildlife refuge system. One of the key problems with these traps is that they are non-selective, meaning they do not only catch the animals they are intended for and pose a great danger to individuals who may also be harmed by these traps. More than half of our Nation's 550 refuges allow trapping and the use of steel jaw leg hold traps despite the fact that this inhumane trap has been banned by more than 85 countries and 8 States. Body gripping traps are not necessary for the maintenance of wildlife ref-

uges, especially since there are alternative and more humane ways to remove or relocate animals.

Two questions, because I have been hearing about this issue for a very, very long time. To what extent do you keep records of the types of traps set and what those traps catch within the National Wildlife Refuge System? Do you believe that the continued use of body gripping traps is conducive to the original purpose of the National Wildlife Refuge System?

Secretary JEWELL. Congresswoman, thank you for the question. I will take this one for the record because I do not have information on this. I do not know if we keep these records. I do know that we allow hunting and fishing, but the methodologies used, you know, must be consistent with our authorizing statute. But I do not know, so I am going to have to get back to you on that.

[The information follows:]

TRAPPING

The Fish and Wildlife Service, which manages the National Wildlife Refuge System, does not collect information on a System-wide basis concerning the types of traps used on wildlife refuges nor the associated take of wildlife.

The National Wildlife Refuge System Improvement Act of 1997 (Improvement Act), which amended the National Wildlife Refuge System Administration Act of 1966, established an overall mission for the Refuge System; to “administer a national network of lands and waters for the conservation, management, and where appropriate, restoration of the fish, wildlife, and plant resources and their habitats for the benefit of present and future generations of Americans.”

The Improvement Act’s accompanying Committee Report specifically addresses trapping as a management tool to conserve and manage healthy populations of fish, wildlife, and plants. One of the listed methods and procedures, “regulated taking” encompasses management tools such as hunting, trapping, and fishing. (H.R. 1420 Committee Report [105–106], page 7).

The majority of trapping programs on Service lands are implemented to accomplish wildlife management objectives in order to contribute towards the purpose and mission of the individual refuge, as well as the mission of the Refuge System. Trapping is an important management tool the Service uses to protect endangered and threatened species, migratory birds, and control certain wildlife populations.

Ms. LOWEY. I appreciate it. And by the way, I have had legislation on this issue, I think, for the last 20 years. So I would really appreciate your getting back to me, giving me an up-to-date report.

NATIONAL HERITAGE AREAS

On the National Heritage Area, your budget request proposes a number of important investments. However, there is one program in which the request falls flat, the National Heritage Areas. Once again, the Administration proposes to slash the program by \$10 million. This is a significant cut that would have real impacts on the heritage areas. For example, in my region, the Hudson Valley National Heritage Area received \$491,000 last year. If the proposed cut were enacted, the Hudson Valley would only receive \$180,000 in Fiscal Year 2017. This is debilitating, and if you could explain why the budget is proposing to cut this program to such a degree.

Secretary JEWELL. Yes. Thank you, and I appreciate your support for the heritage areas, and as we have talked about before, I support them as well. Specific to the Hudson River Valley which was authorized in 1996, we funded it in 2015 and 2016 at \$491,000. I know the National Park Service is collaborating closely with the National Heritage Areas to develop a methodology to allo-

cate program dollars. We really want to try and work with them toward self-sufficiency to the extent we can.

I know it takes time to do that. We are happy to continue working with you through this budget process. But, you know, it is one of those challenging tradeoffs we made in terms of staying within the top line.

GRAND CANYON NATIONAL PARK

Ms. LOWEY. And just lastly, I do not know if my time is up, so we can continue this discussion. But I have been extremely disturbed by a report that found evidence of a long-term pattern of sexual harassment and hostile environment for at least 19 employees at the Grand Canyon National Park. Some of these women reported boatmen on their team would refuse to take them to their worksites if they rejected their sexual advances. One employee even said that one boatman withheld food from employees who refused, and this is shocking. Do you want to make a comment on it?

Secretary JEWELL. I will say that I am equally shocked. The Park Service is on this. It is conducting a full investigation. It will absolutely take appropriate action. This is not acceptable behavior within the National Park Service, and if proven to be true, there will be consequences.

Ms. LOWEY. I really appreciate that, Mr. Chairman, because I was shocked to hear it. In fact, one of my daughters was deputy director of a Park Service. Thank you, Mr. Chairman.

CALIFORNIA DROUGHT

Mr. CALVERT. Thank you for your questions. Well, Madam Secretary, I think you know what I am going to be talking about. We have a little drought in California. You may have heard about it. I have a chart up here behind Mr. Israel showing what is going on in the California Bay delta. Our reservoirs continue to be dangerously low. The winter's rain was a chance to fill these reservoirs. The first 2 months of this year produced double the amount of water that we received all of last year. All of last year. These rains should have provided needed relief to drought-stricken communities in California, yet you are pumping less water than you did last year in a historic drought, and this is significantly more rain and we are pumping less water than we did last year.

This just defies common sense. You know, the Endangered Species Act gives the Department some amount of flexibility. You know, we have gone through this very carefully. If you had simply chosen to pump as much water as is allowed under the biological opinion, you would have provided enough water for 2 million people for an entire year.

Instead, the Department sent the extra water out to sea, and that is not coming back. And it may be that we are not going to see significant rain for the balance of the year. But if we do, I would hope that you could help the people of the State of California. What do you say to the millions of people who could have been helped by these El Nino rains?

Secretary JEWELL. I am going to turn the lion's share of the question over to my colleague, Mike Connor, who is far more expert

in these areas. But I will say that everything is stressed. The people are stressed. The farms are stressed. The landscapes are stressed. And that has factored into the decisions that have been made.

I will also say that fortunately this year you have a better snow pack, so there is some precipitation and storage that will come out later in the year. But Mike has been working very, very closely with everyone in the Bureau of Reclamation and in the State on this, so I am going to ask Mike to answer the specifics.

Mr. CONNOR. Mr. Chairman, I agree it has been a frustrating year from the standpoint you referenced given that we at least had a 2- to 3-week period where there was lots of precipitation. It has since, as you well know, substantially reduced over time.

Mr. CALVERT. There were some days where we were getting 50 to 60 thousand cubic feet per second moving through the delta.

Mr. CONNOR. Yeah, I do not remember seeing it that high. There probably was a couple of days. I know we were definitely in the 25 to 35, even 40,000 CFS outflow range, which is very significant. I think under the water quality permits, you have to maintain at least 15,000.

Having said that, as the Secretary noted, the drought has had a devastating impact on people as well as overall environmental conditions. And that is the reason why operations for a period of time this year have been fairly conservative, and it is because the monitoring and the assessment of the delta smelt have been, the basis upon which they developed their incidental take statement, indicated they were at their lowest levels than they had ever sampled.

And so, the Service has been very concerned that any entrainment event that could occur from pumping might have such an impact it might endanger the existence of the species. They are concerned about extinction of the delta smelt.

Mr. CALVERT. Well, as you know, over 95 percent of the water on some days was going through underneath the Golden Gate Bridge. How much water does it take to satisfy that environmental requirement? 100 percent? 99 percent?

Mr. CONNOR. The issue is really what are the pumping levels, how much can you pump while not bringing the delta smelt towards—

Mr. CALVERT. And that is a great point. When you have that much water moving, how can you reverse flow that? As you know, the pumps are capable of pumping up to 11,000 cubic feet per second. Most of those days that we are talking about in January, you were pumping less than 2,500 cubic feet per second. Less than 2,500 cubic feet per second.

As I understand from the people that are up there, the old timers, the fish were not anywhere near the pumps. Matter of fact, there was just one day I think they took an incidental take of one fish. And they had to drop their pumping immediately. One fish.

Mr. CONNOR. There are a couple of responses. When there is outflow coming from the San Joaquin, from the southern side where the pumps are located, you have the possibility of pumping a lot more. There is a lot more outflow going out through that system. Here we have had most of it come out of the Sacramento system,

so it is at the top of the system. And so, you still have smelt south of the delta that you are concerned about.

There has been take, which is obviously a strong concern at that point in time, but also in the sampling they have done, they have sampled and detected smelt in the southern delta area. They have been very sensitive to any potential entrainment events, and it has been, from that standpoint, that we have not pumped to the maximum limits under the biological opinions.

Mr. CALVERT. Are we ever going to pump? Are we ever going to see any water going to these reservoirs?

Mr. CONNOR. Well, I looked at the records, and that gets to the 192,000-acre feet. I mean, I think we should compare notes because just on the back of envelope I have looked at it, and we are estimating about 70,000 acre-feet that have been lost under the biological opinions.

The biological opinions started to control pumping around January 7th when we met actually. I think that was right at the transition period. Since that time, there has been, I think, 27 days where we have not pumped the maximum under the biological opinions. For the last couple of weeks, we have been at about 5,800 CFS, which is the maximum under the biological opinions.

And that approach and the concern about the species is probably going to continue. I am hoping we can get at least a couple more precipitation events, particularly in the south side of the system, and maybe we can go above the 5,800 CFS level like we did last year.

Mr. CALVERT. Well, all we can do now is hope, hope that it rains because we cannot pump water that is already gone.

Mr. CONNOR. It has been a frustrating year from the water user's perspective. I absolutely understand that. We will look and continue to try and maximize flexibility. There have been times when the Smelt Working Group has proposed even more stringent pumping limitations. Water users, other stakeholders, have gotten together and decided to operate a little bit more—

Mr. CALVERT. Just a last comment. I know the Secretary mentioned stress. We have got farmers that are pretty stressed out in the Central Valley. Just last week it was announced that a major farmer is pulling out 10,000 acres of trees. 10,000 acres of trees. And the people that attend to those trees are out of work.

So just as much of a crisis what is going in coal country right now is happening in my State of California, and, by the way, people forget we are the largest farming State in the United States, but we have 1 million acres out of cultivation this year. 1 million acres.

I know we have a historic drought. I know the problems that you are operating under. But when you see more rain by multiples this year, and we are pumping less water than we did last year, most people look at that and say what the heck is going on. How do you explain that?

Mr. CONNOR. Mr. Chairman, may I make just one more comment? This is a very frustrating situation, and the way we operate now, it is going to continue to be frustrating. Hopefully we will rebuild storage, and we will get back to water allocations next year, because we are rebuilding at least some storage this year.

I do think this year is indicative of the need for new approaches and solutions. And as you know, and you and I have discussed, Cal Water fixed and provides the opportunity for new conveyances, one of those options. I think this year in particular is indicative of a year where there would have been a lot more water supply had we had conveyance and diversions in the —

Mr. CALVERT. Well, you know, I wrote the Bay Delta Agreement 15 years ago.

Mr. CONNOR. Yes, sir.

Mr. CALVERT. And we have still not yet gone through the environmental procedures to get to construction on these projects. And we have gone through two additional biological opinions since that was done, and each biological opinion has become more and more restrictive. And the irony of this is the smelt population, for whatever reason, has continued to go south since 1992. Obviously there has been significant restrictions on how we operate the delta.

So I think anecdotally there is other information that we are not applying. I wish we should use good science to look at this problem and how we are operating up there because this clearly is not working.

Ms. McCollum, you are recognized.

INVASIVE SPECIES

Ms. MCCOLLUM. Thank you, Mr. Chair. Madam Secretary, last week I attended Governor Dayton's water summit back home in Minnesota, and I heard firsthand the concerns related to our waterways. They included invasive species such as Asian carp, nitrates in our water from agricultural runoff, aging water infrastructure, the effects of climate change, and a whole host of other concerns.

These conversations highlighted the importance of the work that you and the employees at the Department of Interior do who are there to listen and take in concerns. I want you to know that we value the research that USGS has done to better understand our water quality and use. In my own State of Minnesota, we see the importance of the conservation work being done by Interior in our national forests, the refuges, and the parks.

I just want to pass along how much Minnesotans appreciate the work that the Department of Interior is doing to protect our waters. We hope out of that summit there will be some more innovative and creative ideas on which more collaboration can happen.

INDIAN SCHOOL CONSTRUCTION

However, there was another issue that I heard about while I was back home. Even at the water summit, folks were talking about it. That was the Bug School, Bug-O-Nay-Ge-Shig School on Leech Lake Reservation. Secretary Jewell, you know, we have talked about it. You visited that school. You saw the deplorable conditions that the students and faculty have to put up with every day. I know you have visited other schools in Indian Country, and you are hearing the alarm bells go off loud and clear. That is why last year working together in a very nonpartisan way, we increased funding for replacement school construction by \$25 million, and funding for replacement facility construction by \$12 million.

Now, I understand the Bureau of Indian Education is close to finalizing its new replacement school construction list, and has been making progress on developing these replacement facilities priorities. I would like you to update the committee on status on these lists. Also, you did send, I will call it, a white paper over with some ideas that you had on how we might be able to speed up school construction.

With high suicide rates, with the Generation Indigenous initiative, with what we are hearing about the stress that many of these communities are facing with drugs, alcohol, and now the current heroin epidemic, the youth that were here from Indian Country the last 2 weeks are looking to us for leadership. They see education as an opportunity for more progress and more success for them in their lives ahead.

Can you update us and the committee on how you see us progressing on school construction for the Bureau of Indian Education? As we are getting ready to hand over to the next Administration, what do you think the President will encourage the next President of the United States to be doing on these issues in Indian Country?

Secretary JEWELL. Thank you for the question, and I would say, more importantly, thank you to this committee in particular for your personal interest, your engagement, your CODELs out to Indian Country to see firsthand what is going on.

First on school construction. We had over 50 schools that submitted applications for whole campus replacement construction. We narrowed that down to 10. We had them do additional presentations. The input from those presentations is being analyzed to come out with a list, and it is weeks away I think, so very, very soon.

On the Bug-O-Nay-Ge-Shig school specifically, certainly the language that you put in the appropriations report helps shine a spotlight on that particular property. That is something that is also in process and evaluation. As we talked about on the phone, we have to make sure the scope of the work is appropriate and it is prioritized well relative to other replacement facilities. That is in process, but you can expect there will be resolution to that relatively quickly.

How do we speed up school construction, this whole process? We had a list that dated back to the 2004. With the support of this committee, the final two schools on that list are being done. We have a whole process dictated by the No Child Left Behind Act that we have been following so that we have a more of a living effective list going forward. That is what has taken awhile, frankly, in coming up with the next few schools we are going to prioritize. But it will be a robust process so we can keep that list up to date, and recognize that things change. I mean, population demographics change. If we can make investments that can extend the life of one particular facility, that may raise something else on the priority list.

Those are all, I would say, nearing completion in terms of the process.

BUREAU OF INDIAN EDUCATION REPROGRAMMING

On the reprogramming, thank you for the support of the BIE reprogramming. We have posted the new jobs. Some of them are existing jobs that will continue. Some are new jobs people are applying for. The period of time to apply for those closes on March 11th, and we expect to have them beginning to be filled by the middle of April.

We have already started a robust training program for teachers so students will begin to see changes in the classroom. We are working with school boards on training for school board members as part of the program. Then, of course, we have the sovereignty in education awards for tribes that want to take over control of the schools.

TIWAHE INITIATIVE

So I think students will begin to see a difference in the classroom probably already this year, but next year. But more importantly, you mentioned Generation Indigenous. You mentioned high suicide rates. The fact is we need to work across government and with tribal communities to address some of these really challenging issues.

School facilities can be an ideal spot, gathering place for parenting classes, for counseling, a safe place for kids to go after school. This is part of what we are encompassing in the Tiwahe initiative, so there is an increase in the budget for the Tiwahe initiative which looks at whole families and communities. We have through the President's action, formed the White House Council on Native American Affairs, which I chair. We have hired a full-time staff member for that, which is a career staff position. So that will continue beyond this Administration.

INDIAN EDUCATION

And, of course, the people that are leading Indian education, the BIE career staff, will also continue into the next Administration. And they are being trained for the new positions and are supportive of the changes. I mean, change is hard. You do not do it all in a year. Larry Roberts, our acting assistant secretary, was just in Albuquerque meeting with our leaders in the BIE going through all of this, all-employee meetings and so on. I was there a little bit before that meeting with leadership. I feel like we are in a good spot, but we cannot do it without everybody working together.

I will just mention quickly one more thing. It is hard without a clock, so I am sorry. But Pine Ridge is a Promise Zone community. The Ag Department picks those, but we have got a strike team in place to really understand what is happening with suicides. We'll look at what we can learn from an effort on Pine Ridge with SAMHSA, which is a unit of HHS, the Indian Health Service, the BIA, and the BIE, to see if we work collaboratively together and with Ag and some of their rural programs, can we make a difference.

There is a lot going on. Continuity is really important, so it is about our career staff and, you know, mechanisms put in place for

this cooperation so it will continue to live well after we are gone. Thank you.

Mr. CALVERT. Thank you. Mr. Simpson.

STEENS WILDERNESS

Mr. SIMPSON. Thank you, Mr. Chairman, and thank you, Secretary, for being here today. A couple of statements first with regards to the Steens Wilderness in Oregon. I know my colleague, Congressman Walden, has been very frustrated with obligations that the BLM has to build and pay for a fence to keep cows out of the wilderness as per the legislation that was passed. In order for wilderness bills to succeed and be accepted, they must keep the promises that were made.

I am pleased that Director Kornze spoke with my staff this morning, and it sounds like we may be headed toward a positive solution with this problem, and I will speak to him further tomorrow. But that is something that needs to get done.

WILDLAND FIRE

I appreciate your support for the wildfire fighting bill that I think every member on this subcommittee is a co-sponsor of. Unfortunately we did not see it get across the finish line last year. We keep pushing it a little further each year. But what Chairman Calvert was able to do is get an extra billion dollars in an outside account for wildfire fighting. While we do not think that is the permanent solution we need, hopefully it will stop the fire borrowing for at least a year or 2 years, or until we have an extremely bad year.

My advice, as I told the chief of the Forest Service is, do not do any fire borrowing this year. Take the money out of the account that was set aside to do this. One of the challenges we have is trying to explain to our colleagues that do not understand what we are doing, why we want to do what we want to do in regards to fixing fire-borrowing. They say, well, it all worked out. They do not see what was not done because you borrowed money from the accounts that we appropriated money for. So it would be my suggestion that you do not pursue any fire borrowing this year, so we can show people the consequences.

SAGE GROUSE

Now, a couple of things I would ask you about. One would be sage grouse, but I suspect other people are going to talk about sage grouse a little bit. You have proposed a \$79.2 million for sage grouse conservation, huge increase. We used to ask for about \$15 million for sage grouse. Last year it was \$45 million increase. One of the things this committee wanted to make sure is that we did not list sage grouse. And one of the potential excuses was that we did not fund what was requested. So we made sure we put those resources into sage grouse conservation.

This year it is a \$14.2 million increase over last year. What are we going to do with the \$79.2 million sage grouse money?

Secretary JEWELL. Largely that is \$66 million in the BLM to implement the resource management plans, about a \$14 million in-

crease. It is for on the ground vegetative treatments to protect, improve, and restore the sage steppe, in Boise. The best smelling trip I took last year was to the seed warehouse.

Part of what we need to do is actually find the right —

Mr. SIMPSON. You could have just said Idaho in general. [Laughter.]

Secretary JEWELL. Some parts of Idaho I have not had the same experience. But that is the cattle business. Yeah, that is good, too, right.

So it is largely implementation of the resource management plans. There is money for the National Seed Strategy. You have done some innovative stuff in Idaho. You have used volunteer groups, youth groups to collect seed, to plant sage brush. All of that kind of work maintains a healthy sage brush ecosystem and restores it when there have been fires and that is all wrapped into the BLM request.

We have juniper removal, particularly true in Oregon, that is critical to the stage steppe. It is actually following through on the resource management plans that got us to a not warranted listing.

WOLVES

Mr. SIMPSON. Okay. And one quick question because I have got to go to another hearing, if I could ask it, Mr. Chairman? I would hope that the Department would support what this committee has been trying to do, and that is implement the Fish and Wildlife's decision on wolves in the Great Lakes and Wyoming. The decision to delist that was made by science. They went through all the studies and everything else to make the determination.

I will tell you that no matter what happens, somebody is going to sue until the cows come home or do not come home. We are trying to get away from the lawsuits, and it is what we did in Idaho and Montana, which was supported then by Secretary Salazar. We would hope that the Department would support this committee's efforts in trying to make sure we do not spend the next 10 years in court trying to defend the decisions the Fish and Wildlife Service made on delisting of wolves in Wyoming and the Great Lakes because they are clearly recovered.

Secretary JEWELL. Well, we agree they are recovered, and we are frustrated by the lawsuits. I would hope the Endangered Species Act does not have to get administered by the halls of Congress. I think that is the only objection we have is that, you know, we are frustrated we lost that lawsuit.

Mr. SIMPSON. We are not trying to change the Endangered Species Act or anything else in this case. What we are trying to say is listen, it has worked for wolves. It has done its job. Fish and Wildlife has made a decision. They have the hearings, they have had the comment periods, and so let us move on, and that is all we are saying. We are not trying to delist them. We never delisted wolves in Idaho and Montana. All we did is implemented the Fish and Wildlife decision. So that is where we are coming from.

I appreciate it. Thanks for the work you do.

Secretary JEWELL. Thank you.

Mr. CONNOR. Congressman, can I just add one thing? I just want to say thank you in your role as chairman of the Energy and Water

Appropriations Subcommittee for the additional drought funding for the Bureau of Reclamation. I think we have good investments that will not alleviate all the concern, but I very much appreciate it. It is much needed, from infrastructure, restoration, conservation across the board. I appreciate it.

Mr. SIMPSON. Thank you.

Mr. ROGERS. Mr. Chairman, can I ask unanimous consent to proceed for 1 minute?

Mr. CALVERT. Yes, sir.

STREAM PROTECTION RULE

Mr. ROGERS. I will be real brief. Madam Secretary, you earlier said Kentucky did not want to meet with you. I have a letter here that the governor wrote on February 8th in essence saying as soon as we get the documents that the omnibus bill says we are to receive from you, which they never did, which you never sent them. He says as soon as they get those documents and review them, they want a meeting.

Secretary JEWELL. That is great.

Mr. ROGERS. And I want to file this letter with the record of the hearing.

Mr. CALVERT. No objection. Part of the record.

[The information follows:]



MATTHEW G. BEVIN
Governor

CHARLES G. SNAVELY
Secretary

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February 8, 2016

The Honorable Janice M. Schneider
Assistant Secretary for Land and Minerals Management
U.S. Department of the Interior
1849 C Street, N.W.
Washington, DC 20240

Dear Assistant Secretary Schneider:

The purpose of my letter is in regard to the directive in the report language that accompanied the Consolidated Appropriations Act of 2016 (Public Law 114-113) enacted on December 18, 2015. This directive requires the Office of Surface Mining Reclamation and Enforcement (OSMRE) to provide the states with all technical reports, data, analyses, comments received, and drafts related to the environmental reviews, draft and final environmental impact statements related to OSMRE's proposed stream protection rule. We firmly believe that this directive also pertains to all deliberative material related to the development of the proposed rule.

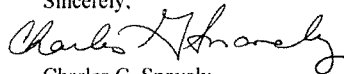
As a longstanding state member of the Interstate Mining Compact Commission (IMCC), the Kentucky surface mining program has historically utilized the Compact to convey our collective position. We have, however, been advised that individual state surface mining programs need to notify you directly of our desire to review all or some the above mention documents. To facilitate our timely review of these materials, we are requesting that OSMRE initially provide us with a complete list of all the documents that it will be making available to the states no later than March 15, 2016. Once we have had the opportunity to carefully assess that list, we will notify you as to which documents we wish to receive.

Janice M. Schneider
February 8, 2016
Page 2

Upon receipt and preliminary assessment of the documents we will subsequently notify you of the amount of time we feel is necessary for a thorough review of the documents. It should be understood that we may need to conduct our own literature review to support, or refute, the findings, interpretations and conclusions of the technical documents provided to us. Due to the potential impacts to the Commonwealth and vast amounts of information that we anticipate receiving, adequate time for proper review will be essential. We fully anticipate that we will want to schedule a meeting with you to discuss our comments on the documents following our review, as is provided for in the Omnibus directive (see 161 Cong Rec. H.10217 (Dec. 17, 2015)). In regards to the IMCC, we also request that it be allowed to participate in this process on behalf of, and alongside, those state members who avail themselves of the opportunity afforded by Public Law 114-113. The IMCC is a multi-state governmental body representing the Governors of its member states, and as such provides a collective forum through which the states coordinate their responses to regulatory issues.

We look forward to your response to this request.

Sincerely,



Charles G. Snavely
Secretary

cc Joseph G. Pizarchik, Director, OSM
Greg Conrad, Executive Director, IMCC
Senator Mitch McConnell
Senator Rand Paul
Congressman Hal Rogers
Congressman Andy Barr

Mr. ROGERS. Is that correct?

Secretary JEWELL. I have not seen that letter, but if that is what it says, we will get them the documents. We would be delighted to meet with them.

Mr. ROGERS. They want to meet. They want input. But they cannot do it until you send them the documents that back up your claim.

Secretary JEWELL. Okay.

Mr. ROGERS. Thank you. Thank you, Mr. Chairman.

WOLVES

Mr. CALVERT. Thank you, Mr. Chairman. Next, Ms. Pingree, but before I turn to Ms. Pingree, on the wolf issue, as time keeps going on, you may want to take a look at Oregon and Washington also because it looks to me from reports I have been getting that the wolf population in Oregon and Washington is clearly beginning to recover quite handsomely based upon the number of dead sheep I have been hearing about.

So with that, Ms. Pingree.

CLIMATE CHANGE

Ms. PINGREE. Thank you very much, Mr. Chair. Secretary Jewell, thank you for your work. Thank you for everyone who is with you here today, and we certainly do appreciate the big challenges that come before your Department and the great work you have been doing with them. I am just going to take up one issue right now, and it is not as big as drought and wildfires and some of the economic challenges that people have been addressing.

But I want to say in the context of the fact that we really appreciate the parts of your budget that are calling attention to and asking for funding around climate change. I just think many of us hearing back from our States about the impacts of climate change, and certainly in mine with so many lobstermen and fishermen. They are worried about ocean acidification and rising sea levels, and movement of the some of the species of our fish because of the warming of the water.

So we have to deal with a lot of those issues as well as our wood lots and small farmers worrying about extreme weather. So I really appreciate the focus that you give to us and helping us to think ahead about how to deal with those challenges.

TICK BORNE DISEASES

And one of them that we have seen an increasing problem with is the incidence of Lyme disease. My understanding is that there are 30,000 cases a year. Lyme is the sixth most common disease reported to the CDC even though we do not talk about or hear about it much, and it is the most common vector-borne disease. The CDC has said in 2013 it is probably getting reports only for about 10 percent of infections, so in reality that number is probably higher.

Now, my State, it could have a huge economic impact. We call it our vacation land, and we are proud of many of the other activities that go on in our State. Tourism is a big issue, and the more

people hear about tick-borne diseases, the more they are affected by it, and the more challenging some of the vector-borne diseases become, less easy to cure, more long lasting. We want to know everything we can and do everything that we can about protecting the outdoors in Maine.

Your budget calls for \$2 billion in mandatory spending for a coastal climate resilience program, which I am very eager to see. I think in your discretionary budget there are also various areas where work by the National Park Service and USGS are trying to address this need. But just going beyond signage and public awareness campaigns, I think we really need to work to know more on tick eradication. I am very excited about the work that is being done by the National Wildlife Help Center at USGS.

So just if you want to discuss that a little. I do not know how familiar you are with this, but the budget does include \$4 million, an increase from 2016, to \$39 for the National Wildlife Service Center and climate science centers. Can you tell me a little bit about how that increase will be used to further the work being done around how wildlife and their habitats are being affected by ticks and tick-borne pathogens? That is also an issue for many regions besides mine.

When the ticks become devastating to wildlife population, sometimes eradicating them all together, sometimes having a huge impact on hunting opportunities in those States. And how does this work fit into some of the overall missions and goals with Interior on understanding climate change and its impact?

Secretary JEWELL. I can talk at a higher level. I cannot talk into super detail. We have about \$63 million in the budget for climate science, and that includes about \$31 million for the National Climate Change and Wildlife Science Centers that you mentioned. That is up about \$4 million.

Every time I visit the USGS science labs, it is clear we are just scratching the surface, whether it is eDNA for Asian carp, which is an aquatic invasive tick-borne disease, or white-nosed syndrome in bats. Whatever the causes, we are not exactly sure, but how do we deal with this? We are a bit overwhelmed by the demand on the services relative to our capacity to provide support.

I would also say USGS works in partnership with universities throughout the country, and those grants oftentimes are also really critical. This will help us to continue the work we are doing, but certainly if we could find additional ways to support these programs, we could support more university research in conjunction with the USGS, Fish and Wildlife Service, and so on to address even more.

That is about as much detail as I have on this, and if you would like me to follow up specifically on the tick issues with the USGS, I would happy to do that.

[The information follows:]

TICK BORNE ILLNESSES AND WILDLIFE

The USGS is investigating the effects of environmental factors on tick populations. As the range of Lyme disease expands, the USGS is collaborating with the Public Health Agency of Canada and university partners to determine how climate, wildlife dynamics, and tick genetic factors influence Lyme disease distribution. To predict the effects of climate change, field and laboratory study results are being

integrated into models of tick population and tick-borne disease dynamics. In regards to wildlife health, the USGS's National Climate Change and Wildlife Science Center partners with the Wildlife Conservation Society to understand the effects of climate change on moose populations in the Northeastern United States. Winter ticks have been associated with moose die-offs across North America. This study is emphasizing the use of scenario planning to assist States with moose management decisions in response to high tick abundance and other climate-related factors.

Ms. PINGREE. I think that would be helpful, because, we have to address it when we are back in our home State, and people are always asking us, how is the Federal government helping? We do not have enough resources in our own State. So, to be able to provide a few more details would be useful.

Also, just to reinforce that your request for additional funding is something I certainly support, and I hope that we can continue to enhance this because I think, I am talking about one tiny little problem like a tick. But it could have a huge impact on a lot of States like mine, and it is just one of many things I think we are going to continue to see as we deal with some of these climate change issues.

So thank you. Thanks for your time. Thank you, Mr. Chair.

Mr. CALVERT. Thank you. Mr. Cole.

Mr. COLE. Thank you very much, Mr. Chairman. Madam Secretary, always a pleasure to see you.

VIOLENCE AGAINST WOMEN ACT

An issue that I wanted to ask you about is after a number of years in working across the aisle, and with the Administration, we changed the Violence Against Women Act to extend more authority to tribes to deal with what is an epidemic of domestic violence and violence against women in general. Obviously authority is not capacity, and we have a number of tribes. I actually met earlier today with the Pascua Yaquis, who are invested in this, and I think are taking it very seriously.

Can you, number one, tell us how the pilot projects are proceeding, where you are pleased, and any concerns you have. And second, can you give us some sort of long-range vision on what our responsibility would be, in your view, to provide capacity? Again, some tribes are going to have the ability to finance these kind of efforts, and it is everything from good law enforcement to appropriate judicial systems and detention facilities. Some tribes simply will not. And so, I would like to get your views on this going forward.

Secretary JEWELL. Well, let me start by saying thank you for your advocacy for this, and I appreciate former Attorney General Holder for his commitment and the Department of Justice's work to actually get tribes included in the VAWA reauthorization.

How that pilot project is going, I would say it is frustratingly slow. I will follow up with Larry Roberts and get more information to you specifically, but there are still just a few locations where we are piloting this. There are still many examples of violence against women that are not being prosecuted by local tribal courts that are not part of this pilot.

I think we have work to do in terms of educating local law enforcement on the very real risks women and children, frankly, are

facing in Indian Country from non-Indian predators that really are not being held to account. I think we have a long way to go.

I think in terms of the long-range vision, we need greater capacity in tribal courts than we have. They have a significant backlog. We need greater capacity in law enforcement. We have, as you know, run pilots for law enforcement, actually leading into a number of different law enforcement agencies—the U.S. Park Police, National Park Service, Fish and Wildlife, other law enforcement entities—to beef up enforcement on reservations across the whole spectrum of criminal justice. And it has had a profound impact on reducing crime.

But we do have a challenge filling the jobs in Indian Country and covering the landscape frankly so that when a woman does call 9-1-1, they may or not get a response. It may be a long time before somebody is able to respond just because of the large territories, few people, and lack of resources. I think we have a lot of work to do still.

LAND BUY-BACK PROGRAM

Mr. COLE. Thank you. One additional question if I may, not related, but in Indian Country, and you may want to get back to us for the record on this. A number of years ago we made a very significant financial commitment in the Cobell settlement, and we have had a couple of hearings on this, Mr. Chairman, but that is a multiyear project, a lot of money involved frankly. And I least want to get your assessment of where we are both in terms of sort of reuniting fragmented land, getting that back into use by tribes, and then the individual compensation awards.

Secretary JEWELL. We are making great progress, and I am going to ask Mike to answer with the details.

Mr. CONNOR. Yes, Congressman. This is one of the areas that if you had asked me what I was going to spend most of my time on when I first got confirmed it wouldn't have been the Land Buy-Back Program. Fortunately it is really taken off, and let me give you some quick metrics.

We are about 33 percent of the way through the 10-year time frame for implementing the settlement, and we have expended about \$736,000,000, or 47 percent of the funds already, in restoring fractionated interests back to tribal trust ownership. That is the equivalent of about 1.5 million acres of land.

We were allotted \$285 million for administrative costs. Even though we have expended 47 percent of the funds, we have only expended 15 percent of the administrative costs. Our goal is, at the end to be able to take some of the administrative money and put it back into restoring even more lands over time.

We have made offers at about 33 percent of the 40 most fractionated locations. We have selected 42 locations for implementation through 2017. The reason I have to get out of here at 3:30 is we are having a listening session in Albuquerque tomorrow to take input. In a couple of weeks tribes are going to finalize their input on how we plan out the balance of the program through the remainder of the 10 years. Hopefully through that we will have a plan, not just for the 42, but how we will either move forward to the 140 total locations out there, or move forward to a percentage,

and think about how we might go back to other lands we have already made offers on.

Overall, it has just been a very successful program I think because of the great work our team has done, the great leadership in Indian Country, and the great bipartisan support there has been.

Mr. COLE. Well, I really want to thank you on these efforts. I think it makes a big difference in terms of dealing with past grievances, and, frankly, putting land back to productive use for tribes. So the Administration is to be commended here, and I would like to continue to work with you.

Mr. Chairman, I yield back.

Mr. CALVERT. Thank you, Mr. Cole. Next, Mr. Kilmer.

Mr. KILMER. Thank you, Mr. Chairman, and thanks, Madam Secretary, for being here.

PUGET SOUND

As you may have heard, we had more than 50 folks from Washington State here this week for the 2nd Annual Puget Sound Day on the Hill. They came all the way from the other Washington to advocate for what is not just an incredible icon of our region, but a body of water that is in deep trouble and that requires attention from the Federal government. They have been talking to Federal agencies, Members of congress, and staff about both strong investments and better coordination with partners at Federal agencies so that we can take those recovery efforts to the next level.

You have been a great champion for Puget Sound and its recovery, and I am grateful for that. I was hoping you could just talk for a moment about steps your Department is taking to try to streamline Puget Sound Recovery efforts, and the planning that can be done with other Federal agencies to try to move these efforts to the next level.

Secretary JEWELL. Derek, it is great to see you, and I am surprised I did not know until you told me that all the Washingtonians were in town. I figured they might be asking for tickets to the Washington Monument. So you can send them our way. [Laughter.]

I do not have a depth of knowledge on the specifics of the programs. I do know that we have \$18.8 million in the budget which will help move projects forward. About half of that is for the Fish and Wildlife Service for work in the marine estuaries, the health of those ecosystems on the tributaries, and working with tribes. There is \$5.2 million in the budget for the BIA specifically to work on largely, fisheries management issues. And then there is another \$4.3 million with the USGS to continue their research.

But beyond that, in terms of how we dig into that, I do not have the details, but I am very happy to provide that to you if you would like more.

Mr. KILMER. Thanks. It is a high priority, as you know.

Secretary JEWELL. Understand.

[The information follows:]

PUGET SOUND

The health of Puget Sound is vital to the region's economy, tourism, quality of life and recreational, commercial, and subsistence fisheries. We continue to make improvements to our processes and abilities to develop the best scientific data, restore habitat, recover imperiled species, and provide consultations for Federal, State and local governments, and industry. For example, in cooperation with the Federal Highway Administration, the Washington Department of Transportation, and the National Marine Fisheries Service, the Fish and Wildlife Service developed technical guidance on evaluating the effects of stormwater on Chinook salmon and other listed species to support transportation projects in the region. The Bureau of Indian Affairs cooperates with area tribes to coordinate continuing treaty harvest management, population assessment, habitat protection, stock enhancement, and data gathering programs involving fish, wildlife, and shellfish resources. And the U.S. Geological Survey recently completed research that found that protection and restoration of floodplains along the 17 major rivers in the Puget Sound Basin could increase the health of rivers and their ecological value, while protecting people from future flooding. These findings will help inform the design of projects that are in concert with Puget Sound recovery goals.

COSTAL CLIMATE RESILIENCE FUND

Mr. KILMER. I know that Ms. Pingree mentioned the Coastal Climate Resilience Fund. So the district I represent includes a whole bunch of rural communities that lie in the tsunami zone. Coastal communities like Westport and Ocean Shores are seeing much more severe storm events and flooding and there are four coastal tribes in the district that I represent that are in the process of trying to move to higher ground.

I was hoping you could provide a roadmap for what this program is going to look like if it is funded, and how the program is going to address the specific needs of the communities I represent and others along the coast.

Secretary JEWELL. The short answer is we recognize there are big issues. When I was in Alaska about a year ago, and then the President was in Alaska as I was also in early September, he saw up close the Village of Kivalina that is washing away, the same issue around the Makah and Quileute tribes.

Just take Kivalina as an example, when I was up in there February of last year, they estimated the cost to relocate that village, which will wash away potentially in a storm that could happen really at any time. The cost to relocate by the Corps of Engineers, they said was roughly between \$200 and \$400 million. I mean, that is one tiny village in Alaska.

The \$2 billion Coastal Climate Resilience Program needs a source of funding. We have proposed a source of funding. It is going to be difficult obviously congressionally to get that done. It is redirecting the GOMESA money in the offshore oil and gas revenue share that really ramps up in 2018, and saying we need that for coastal climate resilience to protect communities from climate change.

I would say if that is funded, there will likely be a competitive process to determine, what are the areas of greatest need. Similar to what we learned after Hurricane Sandy. The \$60 billion that you as a body approved after that devastating storm, a good chunk of it was both through HUD and our own programs. It was done through a competitive process where communities step up, put creative solutions on the table, and those are ranked and funded accordingly. So I think you could expect that kind of a situation.

You did not mention ocean acidification, but that is also a big factor along the Washington coast. It is impacting oyster growers and shellfish farmers, just as Congresswoman Pingree mentioned, big issues with lobster and with the disease affecting lobster, like the sea stars that we have had in the Pacific coast.

These are very real, and I think you can expect a kind of competitive process by which we allocate if we are able to get those monies. But that is one of the congressional mandatory program recommendations that would require legislative action. We would appreciate you bringing your stories to the table so it has a better shot at getting done.

Mr. KILMER. Thank you. Thank you, Mr. Chairman.

Mr. CALVERT. Mr. Stewart.

Mr. STEWART. Thank you, Mr. Chairman. And, Madam Secretary, it is good to see you. We appreciate you taking the time.

I think it is clear that you and I might see the world differently in many important respects, but I appreciate your sincerity. I think in many ways you have a difficult job. But I would like to express some frustration to you if I could, and it is not directed at you. I am expressing this frustration to you on behalf of the people that I represent back home.

FEDERAL IMPACT ON COAL

And if I could, I would like to tell you about some of those people. I would like to tell you that I know a coal miner back in a very rural, very poor district. There are two coal mines in Utah, well, in my district, very high-quality coal, clean coal. And we have been working as hard as we can for years now to keep those coal mines open. It looks like we will fail in one instance and maybe in both of them. And I do not want to say to this miner and his family because nearly a third of the jobs in this county will be lost if that coal mine closes.

I know a teacher in my district, and I come from a family of educators. And one county has actually had to declare an education emergency. Now, I did not know there was such a thing, but apparently there is, because they have lost over the course of a few years two-thirds of their students. And now they are looking at busing the remaining students well over an hour to go to high school.

The reason they have lost these students is because families have left the county because there are no jobs. There used to be jobs in mining, in ranching, in forestry, and in timber, and there just simply is not any longer.

I know a rancher in my district, and he came to me. This is a humble man. He is not a radical. He is not one of those who are joining with some of these other organizations, and he has tears in his eyes, and he shows me a letter he gets from BLM that they are cutting his grazing rights in half. And the thing that I see in him is fear, and it is not only fear about his family and their future. It is a genuine fear of the Federal government. And I do not know what to say to him in those circumstances.

One more if I could, and then I will ask a question. I know a business owner who used to have a thriving business. Now, they were not, you know, making millions, but he was supporting his family. But in that area they transitioned to an economy based on

tourism, so instead of being open 12 months a year, he is open 3 and a half months a year. And he is struggling for the other 8 and a half months to find ways to feed his family.

Now, that is the impact of Federal decisions on families and on people. And when you have to deal with them, as I know you do, and as the rest of us around this table do on a very regular basis, there are many times when I simply do not know what to say to them.

MONUMENT DESIGNATION

Now, in this instance a lot of that was because of a Federal decision to create a monument. And by the way, when the President at the time, Bill Clinton, created that monument, nearly 2 million acres, he did not come to Utah to do it. He stood on the Arizona side and pointed to Utah, and said I am creating a monument over there because he honestly did not have the courage to come face the people that were going to be most impacted by it.

There are many of us in Utah and particularly my district who are scared to death the Administration is considering of another national monument in Utah in my district. Are you working on a monument proposal in Utah? I will just ask that question first and get your response, and then follow up if I could.

FEDERAL IMPACTS

Secretary JEWELL. Okay. As you did in Arizona, I will give you a little bit of background. First, I understand the transitions that go on in communities. Congressman Kilmer and I are from the same home State. Commodity-based businesses like oil, gas, coal, timber, which have impacts on the environment, which is not a static thing, do impact lives in a very real and profound way, and they impact communities, and that is very difficult. On a micro level, we must work together to help support those families.

In grazing and ranching, the BLM is managing a mandate of multiple use and sustained yield, and we have seen changes on the landscape where the sustainable yield may lower in terms of how many cattle a given area can support compared to what it was in the past. That is real difficult if you are that rancher, but that is part of the job of the BLM. So those are really, really difficult.

And our employees are your constituents. They live in your communities. They are in schools with people that are affected. I am fully supportive of working together on programs that help people retool as the commodities are changing around them. It is easy to blame the Federal government and regulations for issues on things like coal, but it is also a commodity that has been impacted by natural gas, switching to natural gas pricing, worldwide demand for coal. It is not all about regulation.

Mr. STEWART. But if I could just clarify. In my instance, it really was about a Federal decision. These were not taking place because of market conditions in any of them. They were all a result of a single Federal decision, in this case creating a monument.

Secretary JEWELL. Okay.

Mr. STEWART. And I understand what you are saying. There are other things at play, but just to clarify my set up—

Secretary JEWELL. You are talking about the Grand Staircase-Escalante.

Mr. STEWART [continuing]. I am talking about the Grand Staircase and the fear of another repeat of that.

MONUMENT DESIGNATION

Secretary JEWELL. Yes. To your question specifically, both Congress Members Bishop and Chaffetz were in my office earlier this week on Monday. I had met with them previously I think in June or July about the public lands initiative they have been working hard on. I know there have been a tremendous number of community meetings they have held with a variety of stakeholders. I think there were pretty high hopes that that effort would result in a successful, balanced approach. There is a group called the Bears Ears Inter-Tribal Coalition, I believe. They have met with me. I sent them over to Congressman Bishop to meet with him to talk about the public lands initiative, which they did.

Since the early language has come out on that document, there is a tremendous amount of frustration about the language largely dealing with what they call wilderness has a number of exceptions that are not consistent with typical wilderness designations. In that context, yes, the Bears Ears Coalition has come in. They have advocated for a monument. This is not a secret. It is something that we have suggested they come and talk to the delegation about.

There have been a number of people that have come in since the public lands initiative was ruled out saying what we negotiated hard for in these thousands of meetings, we do not feel was honored in the language that came out. And you do have in that region some pretty incredible assets that do warrant protection.

As I said to Congress Members Bishop and Chaffetz, we have not done any monument designations without engaging with local communities. We would certainly do that should there be any efforts to move forward in that region. But I think, I would hope, both of us would agree that Utah, in specific the Cedar Mesa area, is spectacular with clear antiquities that warrant protection. We would welcome your support and engagement in looking at what appropriate protections for those landscapes would be.

Mr. STEWART. Well, thank you, and I would respond I guess with maybe three points quickly, and then I want to ask one more very quick question.

PUBLIC LANDS INITIATIVE

You know, the key players on the PLI, Congressman Bishop's initiative, are still involved with that. They are still hopeful that they come to a local solution. The second thing I would ask is that you dive into some of those organizations that pretend to represent local interests because the vast majority of them are not local individuals. And, in fact, including the local tribes have expressed dismay that they may go forward, and dismay that those who are pretending to represent them, and I am talking about the tribal entities, these individuals claim to represent their interests when they do not.

Then if I could very quickly, so that is on the eastern side of the State. Are you looking at creating a monument in my district on the western side of the State?

Secretary JEWELL. Can you help me understand what is in your district? Is that part of the public lands initiative or not?

Mr. STEWART. No, it is not. We are on the other side. We are more towards the Zions National Park, the Bryce National Park, in that area, kind of on the central and eastern side of the State.

Secretary JEWELL. I am not aware of folks that have come into our office suggesting a monument or anything on that side. Mike, are you aware of anything?

Mr. STEWART. Well, thank you for that. I guess I will count my blessings and knock on wood. And I would conclude just saying we love this land. I mean, that is the reason I live in Utah. I was writing books. I could have lived anywhere in the world. I chose to live in Utah because we love this land. We want to work with you to protect it, but we just beg you, you know, to use those of us who live there and love it as a resource as we try to find some ways to do both.

So thank you, Mr. Chairman.

Mr. CALVERT. Thank you. Mr. Stewart is the most read author in Congress, we are very proud of him.

Mr. STEWART. I do not know what that means actually.

Mr. CALVERT. I do not know either. [Laughter.]

Mr. Israel.

Mr. ISRAEL. Thank you, Mr. Chairman. I hope to be one day one of the most read authors in Washington.

WILDLIFE TRAFFICKING

Madam Secretary, welcome. I wanted to shift to an issue that generally has bipartisan support on this subcommittee, committee, and in Congress, and that is wildlife trafficking. You and I attended an Ivory Crush in Times Square, New York City, over the summer. I have been working on a bipartisan basis with Jeff Fortenberry from Nebraska on this issue. Many of us support additional resources for wildlife trafficking not only because it is a humanitarian thing to do, but because we are learning that wildlife trafficking is providing revenue streams to terrorist organizations around the world.

And I just want to ask you this one very simple question: Tell us what your budget does with respect to wildlife trafficking. Do you have the resources that you need?

Secretary JEWELL. Thank you for your interest, and thank you for that really effective public awareness session when we crushed the ton of ivory. That is on top of 6 tons we crushed in the wildlife repository. There are a few more people in Times Square than there are in the Rocky Mountain Arsenal National Wildlife Refuge.

We had a total budget of \$56 million 2016, including funding from the State Department. In 2017, we have about a half a million-dollar increase. It covers a multitude of areas. There is \$33 million in the Fish and Wildlife Service for international affairs. That includes law enforcement dedicated to wildlife trafficking of \$7.5 million, then the Multinational Species Conservation Fund at \$11 million.

I have been to two demand countries, Vietnam and China, on this issue. Vietnam in particular is also a source country for pangolin in particular and turtles. I went to an area where they are trying to rehabilitate pangolin and turtles, a conservation area. But the demand for rhino horn, for elephant ivory, for pangolin, for exotic meats that are not sustainably harvested throughout Asia is extreme. We are just scratching the surface frankly with the efforts that we have.

The State Department has been helpful. I went to Gabon, Kenya, and South Africa in January. I saw what I would say is the best of mankind and the worst of mankind. I went to a rhino poaching crime scene. The bad news is there were three dead rhinos to choose from within an easy drive that had been poached within a few days of my visit to Kruger National Park just within that northern tier of Kruger, which is just horrifying. That is the worst of mankind. I went out with veterinarians and rangers to tag a rhino and put microchips in the horns so that they could be traced, take blood samples and so on, but unfortunately the chance of that rhino actually being poached is quite high.

I went to the Port of Mombasa, which is one of the bad actor areas that wildlife products move through. I was happy to see that the Kenyan government actually had removed a number of people very recently, some that I had met with, because of corruption at the port that was allowing illegal wildlife products to go through.

We have six attaches around the world from the Fish and Wildlife Service. Sometimes, and I learned this when I was there, they are the trust place that people from different countries will go to when they are not sure if they can trust people in the other countries, and with good reason, because corruption is rampant. It is like drug trafficking or human trafficking. There is so much money involved relative to what people can make otherwise that the temptation is very high.

We are just beginning to scratch the surface. I would say our investments are driving a return on investment. I would love to have more capacity in these law enforcement attaches overseas, and they are doing a job that is very, very helpful. They are also cooperating on technologies that help, for example, trace the kingpins, not just the poachers on the ground who sometimes are just trying to feed their families.

We are committed to this effort. I think raising awareness and visibility so that we kill demand is really important, and that is why the Times Square Ivory Crush was so important. It is raising visibility with designer brands that are using these products that is really important. Brand is critical, and shaming a brand is a very effective way to impact this.

So thank you for your advocacy, and I would say we are continuing to chip away, but we have got a long, long way to go.

Mr. ISRAEL. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you, Mr. Amodei.

Mr. AMODEI. Thank you, Mr. Chairman. Good afternoon, Madam Secretary. I think to the extent that the chairman is going to manage my time, I may try to manage your answer time a little bit, not as an affront, but just so that we can cover as much ground

as possible. And I am going to endeavor to be crisp so that that works.

LAND TITLES

The first thing I got to tell you is I need your help. I have been in this outfit for 53 months and 16 days, but who is counting, trying to work through the chain of command in the Bureau of Indian Affairs on title matters. This is not complicated with lots of moving parts stuff. It is people who have paid off their homes on reservations and colonies, and have waited between 5 and 10 years for a simple title plan type of conveyance. And in my neck of the woods, that is through Phoenix or Albuquerque, depending on what it is.

And I will just tell you quickly, please give us some help. We are going to talk with the BIA a little bit later, but it is like, I mean, in any other sense paying off your home and waiting for years to have a conveyance is—so I do not know. I am told it is, well, we are not funded in real estate stuff or whatever. I am not saying they are or they are not. I am just saying, come on, there is a problem there. And maybe from your end it will be more successful than from mine.

Secretary JEWELL. I will answer it very quickly. We do have a challenge in providing titles and responding on things like that. I have visited those offices. They are very frustrated because they are not automated. It costs money to automate. I think there is some money in the budget to continue to support automation efforts, but we are not going to address this overnight. But it is an ongoing problem, and we could get back to you with more detail on the record, or you can ask in the BIA session, and will make sure that they know of your question.

Mr. AMODEI. Or the other thing is to simply do, like you did in some other instances, to go, hey, if you want us to fix this, here is what we need. And if the committee says no, then the committee says no. But right now it just feels like, oh, that is kind of the way it has always been, and so there we go. So anyhow, thank you for your attention to that. I appreciate it.

SCIENCE COORDINATION

I want to next move to science coordination because I notice there was language in your opening statement, and you have got kind of a new effort in house, and you are talking about coordinating with each other. I would like to meet with those folks and just have a briefing for what they are doing.

And let me tell you the reason for the request. I am concerned through the processes of some things recently, sage hen for one of them, where we speak with Director Ashe and say, hey, have you used any of the local folks. I am not telling you that they are in the tank one way or the other, but have you considered, for instance, the work of the College of Agriculture at the University Nevada, which has a quite long track history of Great Basin, sage brush steppe ecosystem, desert research, excellent outfit, USGS, even some of the Federal stuff. And I get back from these people, no, we have not been consulted.

And so, I am not saying, therefore. I am just saying when you talk about collaboration on the science front and you have got this,

no, I would really like to talk to those folks, say, okay, they are going to talk in house. But what is the company policy, if you will, for, hey, can you at least talk to folks who have been doing this stuff for decades, by the way, not for one team or another, but in terms of real resource-centric people with credibility as part of the makeup of what you decide is the appropriate thing?

Secretary JEWELL. Well, specifically the sage grouse it is probably the most relevant recent example of that. We very much did take into account State programs, State science, WAFWA, the Western Association of Fish and Wildlife Agencies. I think that is correct. And that is very, very important to us.

USGS took over largely the science side of the biological sciences when Bruce Babbitt had my job in the late 1990s. The USGS is joining very closely with the Fish and Wildlife Service, doing a lot of scientific research, and they do engage with local communities. We are happy to get you a briefing if you would like to dig into that a little more deeply.

Mr. AMODEI. I would appreciate that because I will just say that that has not been my experience to the extent that we have checked. So we would like to make sure we are fully briefed before we come to any final conclusions.

SAGE GROUSE

Next, what I would like to do is we have been going back through some of the stuff forensically in the whole sage grouse process. And one of the things that we are trying to check, for instance, is, okay, you have a sagebrush focal area. How were those boundaries set? And so, we asked the agencies.

And so, one of the folks who did mapping, how were the boundaries set in USGS. We got some curious non-responses. So we asked BLM and Dan Ashe's folks, hey. We asked those questions in January in preparation for this meeting, and we do not have a response. So I do not have anything specific to say other than I find that curious.

I will tell you that the Forest Service responded, and they said the sagebrush focal area boundaries were given to us by U.S. Fish and Wildlife. So because none of this is national security, border security, hooping and snooping, we do not have to have these briefings and SCIFs, if it is like why not just tell us how we drew those lines where we drew them for those 3 million acres across four States.

I mean, the bottom line is how did we get there? And so, we have got some frustration on that. So, I mean, forewarned is forearmed. It is like, listen, I am not saying you did a bad thing or a good thing. Somebody put a line somewhere on a map. We would just kind of like to know where that is. So if you could be of assistance to getting us some response to that, that would be great.

And one final thing, and actually you are going to get a talk in this one, so I do want you to think I am——

[Laughter.]

Secretary JEWELL. No question, you just want me to listen? Is that the——

Mr. AMODEI. You know, people that have listened said it was not that great, so you do not try to break the mold. [Laughter.]

I was in Las Vegas in December for a western caucus policy forum at the same time you were in there talking to the western governors. And so, we had an opening, and I had a chance to come. I said, well, let us go see what the Secretary has to say to western governors. And I noticed that you made several references to drinking beers with them, and I do not know if anybody on this committee has ever had an invite to drink beer with you, but I know I have not, so I feel a little bit picked on.

Secretary JEWELL. When all our budget hearings are over.

Mr. AMODEI. There you go. [Laughter.]

You are buying, right?

Secretary JEWELL. I had a couple left over from my party. [Laughter.]

We did not drink much.

Mr. AMODEI. I will bring a big cup. But anyhow, when you are talking about sage grouse, you said I am a little skeptical about things that go through in Congress right at the present time for perhaps the obvious reason. Can you give me the basis of your skepticism?

ENDANGERED SPECIES ACT

Secretary JEWELL. Yes. This was around the Endangered Species Act, and I would say that at the time that I met with the Western Governors Association, there were a tremendous number of Endangered Species Act riders going on any kind of piece of legislation. I know you are shocked. Any piece of legislation going through.

The main issue that Governor Mead from Wyoming wanted to take on for his term as head of the Western Governors Association was the Endangered Species Act. I think we would agree there are ways it could be implemented that work more effectively and perhaps where all of us could spend less time in court, which is certainly in my interest. But with all of the riders that were being put up around the Endangered Species Act from, well, any number of them, it is clear that there is a risk of a gutting of the Endangered Species Act, and I do not want that to happen either.

My comments were related to that and saying how can we work together within the bounds of the existing law to interpret it more effectively for States and do a better job ourselves so we spend less time in court and more time actually taking care of these landscapes.

Mr. AMODEI. So great. One of the byproducts of that is you are working with Governor Sandoval directly on sage initiatives. Are you doing that under general secretarial authority, or is there something in the act? I mean, what is the basis for saying, hey, if they need a right-of-way for something in Baker, or we need to speed up adoption of new maps, and the governor says he is working with the Secretary of Interior, what is the authority for that framework so that we can help the governor with things that maybe he would like to work with you on?

Secretary JEWELL. Well, there is a clear willingness we have indicated to all States in the sagebrush range that if there are concerns they have with the plan, they are welcome to bring them to our attention, and we will operate within the flexibilities we have.

For example, in Nevada, the maps that we used were the best maps we had at the time but Nevada has purchased new maps.

And so, part of the discussion was Governor Sandoval said will you use our new maps, and we said yes, okay. So that is not the Secretary's authority working with the governor. It is the governor as a conduit for his folks saying these are some ways we would like to shape this.

So if it is a water tank leaking in Baker. I cannot remember specifically whether it was a map issue. There is also a cemetery in one of the other counties.

Mr. AMODEI. Those were all identified as being habitat, therefore—

Secretary JEWELL. Correct. And so, the BLM has flexibilities to work in specific situations on the ground to address those circumstances, and that is what was being done. It is not secretarial authority working with the governor. It just the Secretary communicating with the governor the flexibilities that the BLM has. We are doing that whenever asked in other States, and we will continue to do that whether or not the States are suing us.

Mr. AMODEI. Thank you.

Secretary JEWELL. Thank you.

Mr. AMODEI. Thank you, Mr. Chairman.

Mr. CALVERT. Mr. Jenkins.

Mr. JENKINS. Thank you, Mr. Chairman. Madam Secretary, thank you for being here.

PENSION FOR COAL MINERS

I notice in your budget you have got funding to try to help our coal pension fund for our coal miners. I appreciate the investment. I look forward to working with you because we want to make sure that our miners are protected, have a solid pension, health benefits that they can rely upon.

STREAM PROTECTION RULE

What I would like to spend time on is what the Chair of the subcommittee, and in particular, the Chair of the full committee brought up, and that is, of course, stream buffer zone, stream protection rule, whichever way you want to characterize it. My biggest concern, Madam Secretary, and I listened to your testimony carefully. I have read your submitted testimony. I have read the testimony of the OSM director. And I am almost at the belief that you all are tone deaf to the lack of engagement and lack of opportunity for cooperation and input at the State level.

Earlier you described the idea that you did engage with States and took into account their input. OSM published a rule, then held public hearings. When we look back at reality, you had 10 States enter into an MOU to be cooperating agencies in late 2010. And then in February of 2011, you have Alabama, New Mexico, Utah say you were not cooperating and they withdrew.

In March, Texas withdrew. OSM was not cooperating. OSM was not sharing information. In May, Kentucky, West Virginia, with a Democratic governor and Democratic legislature withdrew. You know, this is not a partisan issue. You were not cooperating. You

were not sharing information. They withdrew from cooperating agency statutes. Indiana, Montana in July.

Then we have to come in with this rider on the omnibus directing that you share information. OSM has systematically denied, refused FOIAs. The States that historically you had great working relationships with have simply said things have changed dramatically in the last 5, 6 years. So to simply say to the Chairman earlier we engaged, we took their input, and we published the rule, I challenge that. I think you are tone deaf to the reality of what is going on out there for the lack of cooperation.

So number one, are you aware of the frustration that exists amongst the States on a lack of cooperation at OSM in your capacity as the Secretary of Interior? Are you aware of this?

Secretary JEWELL. Yes, sir.

Mr. JENKINS. Are you doing something about it to try to reengage these people, because I continue to hear as of yesterday, no, you have not changed your modus operandi. And, in fact, you suggested to the Chair just a minute ago that one of your representatives has reached out to their State. You referenced that I think 10 or 13 States have been contacted and visited.

Well, guess what? Your person came to West Virginia. I know about that meeting. And our folks at DEP specifically said that OSM represented they are not coming here because of this new mandate. You are really just talking about things in the past.

So my questions are on a couple of things. Number one, of the language that is contained in the omnibus that talks about the stream buffer zone rule and the mandate, I heard you say earlier that you intend to fully comply. My question is, do you believe this is legally mandated on you to do this?

Secretary JEWELL. I believe if it passed in the legislation, which it did, then we are legally mandated to comply, yes.

Mr. JENKINS. Secondly, the issue of all technical reports and data as the chairman ran through, are you going to be reviewing and releasing some, or are you truly going to the 5, 6, 7 years, which this, I believe, requires all reports, data, analysis, comments. You are going to turn this over to all of the States, plus I heard you say you are going to make it available on the Web. So is everything going to be put out there?

Secretary JEWELL. I will have to rely on my people at the Office of Surface Mining on what is in compliance with the order. I do not know exactly what the order says. I know what material that responds to, but they will be responsive to the requests, and they will do it in accordance with the omni.

Mr. JENKINS. Well, it is not an order. You have to understand it is legally binding. This is the law.

Secretary JEWELL. Right.

Mr. JENKINS. It was signed by the President. So it is not an order. It is the law. And I will just read it. "OSM is directed to provide the States with all technical reports, data, analysis, comments received, and drafts relative to the environmental reviews, draft and final environmental impact statements." Will you provide all of that information?

Secretary JEWELL. We will comply with the law.

Mr. JENKINS. Okay.

Mr. CONNOR. Could I just note, Congressman, I believe that was report language. It is not statutory language. But nonetheless, our intent is to comply with that report language.

Mr. JENKINS. Well, I asked the Secretary if it was legally binding, and she just said it is the law. So are you trying to correct her and say, well—

Secretary JEWELL. He is trying to correct me, and I stand corrected. Thank you, Mike.

Mr. JENKINS. So now what I am hearing and sensing is that you do not think it is a requirement of law, and, therefore, you may not have to comply fully.

Mr. CONNOR. I was just being technically correct as to what the language is, and there is a distinction between statutory language and report language.

Mr. CALVERT. Let me ask this question for the gentleman. Your intent is to comply to the reporting language in the bill.

Secretary JEWELL. Yes.

Mr. CALVERT. And there is no reason not to be transparent and to provide the information to the States that have asked for this.

Secretary JEWELL. That is correct.

Mr. CALVERT. And by the way, just to the point of Mr. Jenkins, these are governors both Democratic and Republican that have asked for this information. This is, as it was pointed out, not a partisan issue.

Secretary JEWELL. I understand that. I also know there was a tremendous amount of work collaborating with the States up front, and also a desire to get something done. I know you will have an opportunity to meet with Joe Pizarchik, who runs the Office of Surface Mining Reclamation and Enforcement. He is deeply involved in this, understands it, was a state regulator. And I think that we will be much more effective in being able to answer the detailed nature of your questions as opposed to me—

Mr. CALVERT. We will be meeting with him tomorrow. Mr. Joyce.

Mr. JOYCE. Thank you, Mr. Chairman. Madam Secretary, I would really like to investigate where exactly this keg is right now. [Laughter.]

GREAT LAKES

Mr. JOYCE. I know you know how important the Great Lakes are. As a matter of fact, to quote you, you once wrote, "The Great Lakes are a monumentally unique national treasure containing nearly 95 percent of the United States fresh surface water. Formed by receding glaciers, the Great Lakes support a thriving and resilient ecosystem rich with fish and abundant natural resources." I would add rich cultural historic, commercial, and industrial resources as well, we certainly agree on that point.

Given all this, I find it disturbing that the President again proposed to cut a program that is producing such terrific results. If there is any program that we should hold up as a model of intra- and intergovernmental and non-governmental cooperation that produces results, it is GLRI, the Great Lakes Restoration Initiative. Do you have any explanation for why we continue to see these proposed cuts to GLRI?

Ms. SARRI. As you know, that is in the—

Mr. JOYCE. Do you know where the keg is? [Laughter.]

Ms. SARRI. She has not told me yet. That is actually an EPA program, and so I would just encourage you to talk to EPA about why the cut was taken. My understanding is that there are some carry-over balances remaining. That is part of the reason for a reduced funding level. But I think EPA is in a better position to discuss their budget.

Mr. JOYCE. Thank you. That brings me to my next question. The actual cuts proposed by the EPA include \$2.1 million for the Bureau of Indian Affairs, \$400,00 for the National Park Service, \$11.1 million for the Fish and Wildlife Service, and \$8.2 million for the USGS. Can you describe for me the consequences your agencies face if we were to fund the GLRI at the President's proposed levels?

Ms. SARRI. So just let me talk specifically to the Department of Interior's budget because we actually have \$69.9 million. We are very supportive of the work the bureaus are doing in the Great Lakes. Obviously the additional money we get from the Great Lakes Initiative is incredibly important to our bureaus and that kind of cross agency effort. So there will be some impacts on it.

But as you know, it is kind of a competitive allocation among the different bureaus that participate or the departments that participate. It is not clear what the cuts would be in a future budget year since we would have to work on what the program would be like in 2017.

Secretary JEWELL. Let me just say, though, that the EPA money has been used to address invasive species, water quality, and ecosystem health. Without the resources that we have had in 2016, those are the areas that would be directly impacted if we did not get funding from the EPA at an equivalent level.

ASIAN CARP

Mr. JOYCE. Beautiful, because that brings me to my next question. The U.S. Fish and Wildlife Service has a critical role to play in working with the U.S. Army Corps of Engineers to help it understand the urgency relating to the movement of Asian carp toward Lake Michigan. In 2015, juvenile Asian carp advanced 66 miles closer to Lake Michigan.

It is my understanding that the Army Corps is developing what was once called an emergency response plan, but is now being referred to as a contingency plan. The U.S. Fish and Wildlife Service should play a critical role in developing this plan because its fishery biologists understand fish population dynamics, and can inform the Army Corps to help ensure the fish do not advance beyond Brandon Road Lock and Dam. The U.S. Fish and Wildlife Service can alert the Corps and other Federal and State agencies to the urgency of new data that may be collected in 2016.

Madam Secretary, what role is the U.S. Fish and Wildlife Service playing in developing this contingency plan?

Secretary JEWELL. I am not sure. I will have to double check and get back to you for the record because I know they have been working closely with the Army Corps and the USGS on everything from e-DNA to, you know, various hazing methods to stop the fish from going further. But I am not sure specifically as it relates to that

program, unless one of my colleagues knows. So we will get back to you on that.

[The information follows:]

ASIAN CARP

The U.S. Fish and Wildlife Service (FWS) and partner agencies of the Asian Carp Regional Coordinating Committee (ACRCC) are developing contingency response plans to address the potential upstream movement of all life stages of Asian carp in the upper Illinois River and Chicago Area Waterway System (CAWS), with the goal of increased protection for the Great Lakes. FWS serves as co-chair of the ACRCC along with the U.S. Environmental Protection Agency and is a member of the ACRCC's Monitoring and Response Work Group. The Work Group is leading development of the contingency plans as part of the broader effort to complete the ACRCC's 2016 Monitoring and Response Plan.

The contingency plans will include recommendations on detection and control tools and deployment strategies for management agencies in the event Asian carp are detected in the upper Illinois River or CAWS.

Mr. JOYCE. I really believe this is one of the most bipartisan, as I said before, intra-governmental, non-governmental programs, and we are all working together. We urge you to get on top of this issue because we only have once chance to do this right, and we have got to stop talking about the Great Lakes as a series of lakes and start talking about it as a natural treasure because we cannot afford to screw this up.

With that, I yield.

Secretary JEWELL. Thank you.

Mr. CALVERT. Ms. McCollum.

Ms. MCCOLLUM. Thank you, Mr. Chairman. To Mr. Joyce, we will figure out what is going on. We had legislation, and the Army Corps might have been assigned some responsibility because it had something to do with navigable waters. We will get to the bottom of it.

LAW ENFORCEMENT

Without getting into the specifics of what happened in Oregon, because I know that is an ongoing investigation, I want to follow up with a few questions in the most general sense.

I would like to know what the Department of Interior is doing to enhance employee safety. I had a discussion with the Bureau of Land Management, on this topic, and I had a similar discussion with the Forest Service. First responders are quite often what the National Parks folks are. Fish and Wildlife employees sometimes are responding to an accident. Sometimes Interior employees are first on scene to investigate damage to a property on Park Service land, or they are checking something out that has been reported to them by a hiker in a refuge, or they are looking at a flood plain after something has gone through our public lands.

I point this out because we have had fewer employees out there working on a lot of these projects, and protecting our lands, and making sure that visitors have a safe and good experience. They are out there more increasingly alone, farther away from help should they need it—whether they become injured, or they stumble upon something, or feel that they are in an unsafe situation.

If you could, please tell us what the Department is looking at doing to enhance employee protection and personal safety, whether it is out checking on a hiker or whatever. Do you have the tools

that you need? Is this something the committee should be requesting you to kind of put together a report on what needs to happen?

We also know damage is done by some individuals in our public lands. I was at Voyageurs National Park, and saw where somebody decided they get a better view looking at what they wanted to by breaking a chain on a picnic table and sawing down a tree. The park superintendent thought she was maybe going to be able to figure out which camper did that. That is damage to public property.

Are you seeing an increase in damage to public property, whether it is things that are clearly unlawful or just people just not using common sense? What should we be doing to work with you to make sure that damage is not starting to impact your budget in a negative way? Your budget dollars are so tight. We are trying to work on backlog. The climate has changed out there for some of the responsibilities and some of the things that the Department of Interior is starting to experience now, and the Forest Service, and BLM. What do you need?

Secretary JEWELL. I am going to answer at a higher level, and then I going to turn it to Kris who oversees our Office of Law Enforcement and Security.

Let me say this, you are right about the kinds of jobs they do. They are first responders. I did a hike in Shenandoah up Old Rag, and as I was coming down they were launching a rescue. They were actually physically going to have to carry somebody down a mountain that had slipped and had a bad dislocated shoulder. They needed 20 people to be able to do that evacuation. They were calling them in from all over, volunteers, search and rescue, and so on. That is quite common. In fact, on that particular hike it happens multiple times every week.

The Fish and Wildlife Service has relatively few folks, and a lot of times what they are doing is ensuring people are abiding by the hunting and fishing laws, so really more like game wardens. In the case of the Malheur Refuge, there was one person assigned to that refuge, and clearly lots and lots of reinforcements had to be called.

In BLM, we have roughly one law enforcement person per million acres in the BLM. Most of the people that are out enjoying BLM lands in parts of the West are armed. So when you are by yourself patrolling, it is risky. We are deploying GPS devices for all of our BLM rangers out in the field so that they know we know where they are. In some cases, we are patrolling with two together, which means we are patrolling half the area we were before, but their safety is obviously of paramount importance to us as is public safety.

I think the situation at Malheur and some of the increasing risk we see on public lands is something we need to be very aware of, and our people are very vulnerable. We have had threats, guns fired in the air where people were doing surveys to chase them off the land. We have obviously left. We have had situations where armed militias have been called in when we have tried to enforce mining laws. That is in the State of Oregon also.

So there is increased heat, I would say. Part of the answer to that is going to be working with communities as we have done in Harney County before, which I think was very helpful, and as we are doing in communities across the West. But our law enforce-

ment people could use improved devices like the GPS. I would not want to militarize them. That is not what they are for.

As we have more visitation, we have a greater need for law enforcement. We are not necessarily able to respond, but we do try and have cooperative relationships with local law enforcement that helps. But, Kris, do you want to talk more specifically?

Ms. SARRI. Sure, I would be happy to. Thank you very much for the question. Within the Office of Policy Management and Budget, we have the Office of Law Enforcement and Security. It is the office that sets national policy across all our land management bureaus, and we look very closely at safety of our employees, also working with all the bureaus to do security assessments of their facilities.

We have some increases in the 2017 budget across all of our law enforcement bureaus. A couple of other initiatives that we are pursuing is along the southwest border obviously working closely with CBP, we have a lot of lands where drugs are smuggled across the border. We have worked on a southwest radio interoperability initiative there so we, working with other Federal agencies—Forest Service is part of that—make sure we have really good radios in place, and they are interoperable. We are looking into how we can expand that as a pilot across the Nation.

We have some increased money in the BLM budget for that purpose because they are kind of the governance structure for that to support all of the other bureaus. Efforts like that where we can improve our technology, get better interoperability are also things that both help keep the public safe and keep our employees safe as well.

Ms. MCCOLLUM. Thank you, Mr. Chairman.

Mr. CALVERT. A point to Ms. McCollum, we have this growth in marijuana groves, not just on the Forest Service property, but on BLM property, all kinds of property. I have been told by law enforcement it is primarily two major drug cartels coming out of Mexico. Every once in a while they shoot each other, and people get caught in the crossfire. So it is something we need to keep an eye on and to deal with.

Secretary JEWELL. Sometimes they set up booby traps for our people, too, including at national parks, like Sequoia and Kings Canyon. So it is a high risk.

Mr. CALVERT. Right. And I am hearing a lot about it lately. It seems like it is a growing problem, not one that is going away.

ANTIQUITIES ACT

I want to talk a little bit about the Antiquities Act. On Friday, February 12th, President Obama used his authority under the Antiquities Act to establish three new national monuments totaling nearly 1.8 million acres in my region of southern California. I was driving down the freeway and heard about it on the news. Unfortunately I was not provided the courtesy of being notified of the President's action by your Department or the White House in advance of the announcement. Neither was Congressman Cook. By the way, over 70 percent of his district was impacted by that decision. He represents the Mojave Desert.

And I do not care, which Administration it is. Members of Congress deserve to be notified when something like that is happening where we could at least be prepared for the onslaught that comes, and I know that Paul Cook certainly got some, so we do not have to read about it in the Washington Post.

Secretary JEWELL. I apologized on the phone. I will do it in front of the cameras as well. I am sorry that you did not receive a call and neither did Congressman Cook, from the Administration.

Mr. CALVERT. As I mentioned in my opening remarks, the President has used authority under the Antiquities Act 22 times since 2009 to bypass Congress and designate 40 million acres as national monuments. So obviously this is going to have some fiscal impact, budget impact. How are we going to pay for all this?

Secretary JEWELL. In a budget like the BLM budget, we have increases for national conservation lands in general. The national monuments that are on BLM lands are typically within the national conservation lands. The monument designation in and of itself does not immediately increase the cost to maintain these landscapes, but over time as there is increased visitation, there is an expectation we will likely have an increased cost.

We are doing private philanthropy in some cases in some of the monuments that have been designated. In fact, in some cases the monuments themselves have been a donation to us with endowment or support to continue to support what they need as they welcome additional visitors. But like national parks and monuments that are created by Congress, to the extent that they increase costs, those will be reflected in future year operating budgets once we have done an assessment of the needs and have an operating plan. So to the extent that goes up, we would ask for that in a future budget.

Mr. CALVERT. I am going to discuss now the Owyhee National Monument in Oregon. A number of groups have been urging the Administration to create this 2.5 million acre national monument in southeastern Oregon, an area that is larger than Rhode Island and Connecticut combined, and even Yellowstone National Park. These efforts included high-level meetings with the White House Council on Environmental Quality and other agencies.

The proposal and campaign has generated strong opposition from the area local residents, local governments, certainly the local congressman, and I have heard from him, with Malheur and other surrounding counties strongly opposed to this designation. Potential restrictions for access and grazing use on these lands is a strong concern that was mentioned earlier, where multigenerational family ranching make up the backbone of the local economy.

I understand that there are conversations taking place now between the BLM and some of the interested parties. There are also certainly requests for the Administration to make public its position and plans for the Owyhee Canyon lands. I guess nobody is hearing anything, you know, the biggest creator of fear is silence.

Are there any Department of Interior personnel assisting anyone in the White House, the Council on Environmental Quality, or elsewhere in the Administration with technical or other support related to the designation of a national monument around the Owyhee River in southeastern Oregon?

Secretary JEWELL. As I said to Judge Grasty from Harney County and also to Congressman Walden, I am not aware of, you know, any efforts that are going on right now with regard to Owyhee Canyon lands in our Department. There has been an interest expressed by Congressman Blumenauer from the Portland area, from Keene Footwear, as part of a live monumental campaign. But I have not seen any information, nor have we held any community meetings or discussions with people around Owyhee Canyon lands to my knowledge. Mike, do you know of any? No?

Mr. CALVERT. Would you please confirm whether any such assistance is being given and provide a written response back to the committee based upon that conversation so we can have that and I can share that with Mr. Walden?

Secretary JEWELL. Yes, I did share it with him yesterday at the hearing as well.

[The information follows:]

NATIONAL MONUMENT DESIGNATIONS

Designation of monuments under the Antiquities Act is a Presidential, not Departmental, action. When examining whether to recommend particular monuments for Presidential action, the Department engages in consultation with national, state, local, and tribal stakeholders, in keeping with the President's commitment.

Mr. CALVERT. Okay, great. Well, thank you. Any other questions? Ms. Pingree.

INVASIVE SPECIES

Ms. PINGREE. Thank you again, Mr. Chair. Thank you for your time in front of the committee and answering such a wide diversity of questions. I just want to talk a little bit plants in the Park Service.

As you know, I know you have been to Maine, and I think you visited Acadia National Park. This is our centennial as well as the Parks, so it is a very exciting year. And we appreciated Ranking Member McCollum has been able to visit us. We are hoping maybe the chair and other committee members can come to one of the most spectacular, most visited parks in the country and enjoy our lobster dinner, which is coincident with visiting the park. They pretty much just walk up to you when visiting. It is the simple things.

I just want to talk briefly. We talk about so many important parts of our spectacularly beautiful national parks, but one thing we do concern ourselves with are native plants and flowers. I know you are increasingly concerned about invasive species and the questioned presence of the emerald ash borer and the variety of other things that can interfere with keeping our native plants strong and present.

About a quarter of Acadia's flora is non-native, and 25 species in the park are listed as rare. So if you would just talk briefly about the National Park Service program for native plant restoration in our National Research Stewardship Budget. Can you tell us a little bit about how you work on this effort, where you have had success stories in reversing some of the challenges of species lost, and the importance of species in our ecosystem overall.

Secretary JEWELL. I will talk at a higher level, and, Kris, I do not know if you can come up with numbers specifically on this while I am saying a few words.

This is a huge challenge across the national parks. Emerald ash borer, woolly adelgid, which wiped out the hemlocks largely in the Smokies. The pine bark beetle, which is a native species, but because of climate change and a few degrees higher temperature, it is wiping out a lot of the pine forests in the Rocky Mountains in particular and other parts.

This is a huge issue, and we cannot keep up. We can do damage control. Early detection and rapid response on an invasive species is part of our budget here which will be across the landscape not specific to the National Park Service. The use of Youth Conservation Corps crews and local volunteers to actually do some of the hard work on invasive species removal is continuing.

I would say that invasive species in general are winning, so it becomes a triage effort. Where can we protect a growth of trees and treat those trees or treat in the immediate area when we cannot treat the whole landscape, so we are not losing the species entirely, but we cannot stop the onslaught, especially for some of these insects that are taking advantage of slight changes in climate, which would include the tick population you mentioned also, just slight increases.

Kris, do you have any numbers you want to share?

Ms. SARRI. So the one thing I would also just mention is last week we did a framework on early detection and rapid response, which is actually very critical in terms of trying to have a national framework to look at addressing invasive species. But what the Park Service is requesting is \$18.3 million overall for control and management, but I will get back to you on the record for specifically what is happening in Acadia.

[The information follows:]

INVASIVE SPECIES

In FY 2015, the NPS spent \$18.3 million in on-the-ground education, outreach, detection, and control and monitoring work to combat invasive plants and animal species. The NPS plans to continue this level of effort in FY 2016 and FY 2017. The National Park Service is working to manage invasive species on park lands through a suite of national and local programs, each based upon the following strategies: cooperation and collaboration, inventory and monitoring, prevention, early detection and rapid response, treatment and control, and restoration. At the national level, NPS has fostered a successful invasive plant management program with the creation of the Exotic Plant Management Teams (EPMT). These 15 teams provide highly trained mobile assistance in invasive plant management to parks throughout the National Park System. The EPMTs serve more than 282 parks over a broad geographic area and work to identify, develop, conduct, and evaluate invasive exotic species removal projects. The NPS is using various approaches to control invasive exotic species populations in parks and to protect sensitive resources from destruction by invasive exotic species, including integrated pest management supported by current scientific information and best management practices. In FY 2015, EPMTs worked with 1,331 young people who contributed 100,470 hours to invasive plant management control and restoration efforts across the country. In addition, EPMTs treated 3,559 acres and inventoried and monitored 24,150 acres.

At Acadia National Park almost 25 percent of the park's flora is non-native and about 25 species are state-listed as rare plants. As is the case for many parks, Acadia has been able to control a number of invasive plant species and they have seen a recovery of native plant communities. For example, the park began its invasive plant control effort 30 years ago by targeting purple loosestrife. At the time, purple loosestrife was recognized as one of the most threatening of the known invasive spe-

cies because of the high-value, ecologically-important wetlands where it was a rapid colonizer. Today, the species has been controlled within the boundaries of the park, allowing native plants to rebound. Park staff continues to survey and treat new occurrences that move into the park from adjacent property.

The park also has expanded its invasive plant management program through partnerships with governmental and non-governmental agencies and has been very successful in controlling other high priority invasive species, including giant hogweed, spotted knapweed, Japanese knotweed, and glossy buckthorn. However, new invasive plant species appear on the horizon all of the time so acres under control are a moving target. Additionally, any of the acres infested are infested with multiple species, and thus are not considered controlled if some of the priority species have not yet been addressed. For example, purple loosestrife and glossy buckthorn have been controlled, but Norway maple has not yet been managed.

Ms. PINGREE. Great, thank you. Thank you, Mr. Chair.

Mr. CALVERT. I will just point out before I go onto Mr. Amodei better management would go farther to stop the pine beetle. We have tremendous overgrowth in some of the forests in the West, and there are just too many trees per acre. That is causing distress with the lack of water, which is helping increase the problems.

Mr. Amodei.

ANTIQUITIES ACT

Mr. AMODEI. Thanks, Mr. Chairman. Madam Secretary, since you are kind of checking into that monument stuff, I would appreciate it you could check and see what your folks did, if anything, in support of the designation of the Basin Range National Monument before the actual designation. So if there was any sort of workups or anything else like that, just a general description of what you did pre-designation.

[The information follows:]

BASIN RANGE NATIONAL MONUMENT

The President designated Basin Range National Monument, located on public lands in southeastern Nevada, as a national monument on July 10, 2015. This national monument—located in one of the most remote and undeveloped areas of the state—exemplifies the rich cultural history, varied wildlife and vast open spaces with stunning views for which the state is known. The designation also preserves current uses of the land, including traditional ranching practices and ongoing military training operations, while ensuring that the land remains unspoiled for future generations.

Prior to this designation, the Administration engaged in consultation with national, state, local, and tribal stakeholders. For example, in February 2015, Interior Deputy Secretary Mike Connor and Bureau of Land Management (BLM) Director Neil Kornze visited Las Vegas at the request of Senator Harry Reid and Congresswoman Dina Titus to hear from the community about its vision for conservation in southern Nevada.

The BLM will prepare a management plan for the monument in formal cooperation with the State of Nevada, local governments, and tribes. The plan will be developed in an open process with maximum public involvement.

Mr. AMODEI. And the final point is this. I know you have made a point of saying, hey, we work with communities and stuff like that. There actually was a meeting before the Basin and Range designation, but I would represent to you that the attendance at that meeting was highly selective, and did not include some of the folks you would assume, counties affected, county commissioners, blah, blah, blah, blah.

And so, while there may have been an indication to you, like, listen, we met with folks in the community, that is probably a true statement, but it might help to say what is the cross-section as op-

posed to like where do they live. Do they actually live in the community, and do they represent, because I know you guys are pro-diversity, diverse interests in the community.

So with that, I yield back. Thanks, Mr. Chairman.

Mr. CALVERT. Thank you. Just one quick little comment on this pumping issue, Mike, so you will know this issue. [Laughter.]

DELTA WATER

Thirty-four days out of 80 from December 1 when the season started, the flows through the delta ranged from 20,000 CFS to 50,000 CFS. You had days where literally 98 percent of the water was flowing underneath the Golden Gate Bridge. It begs the question, how much water is necessary for a smelt population. And, you know, how long is this season where we have not been able to pump water. I hope that is over by now. I hope that this season is over with the smelt so we can start pumping this water.

You do have the authority once you are convinced, that the smelt are no longer near the pumps, where you can pump in excess of 5,000 cubic feet per second. In case we do have significant storms, we have to take advantage of this. I am following this every single day.

Mr. CONNOR. I never doubted that for a moment. [Laughter.]

Mr. CALVERT. Okay. All right. Thank you very much. We appreciate your coming, Madam Secretary, and have a wonderful day.

Secretary JEWELL. Thanks for the hard work of the committee and the staff. You guys do a really, really good job. Thanks.

Mr. CALVERT. Thank you. We are adjourned.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Budget Hearing: Department of the Interior
Wednesday, March 2, 2016

Questions from Mr. Calvert

BSEE Well Control Rule

Over the past year, I have heard quite a bit about the Bureau of Safety and Environmental Enforcement's (BSEE's) proposed well control rule, which is now at OMB for review. It's important that we have a frank discussion about the goals and intent of the rule.

I understand that companies and trade groups had been working with "Bessy" (BSEE) on ways to keep pace with industry best practices—which is why many were surprised by several details in the draft rule. I suspect much of the consternation could have been eliminated had the Department issued a "notice of proposed rulemaking" *prior* to issuing a proposed draft rule—most notably on the drilling margins and on the requirements for real-time monitoring. Unfortunately, we are long past that point in the process.

Comments submitted to BSEE during the comment period were clearly and consistently opposed to the proposal for a mandatory one-half pound per gallon drilling margin (0.5ppg) for new wells. Two-thirds of the wells drilled over the past five years would not be drilled today if that requirement had been in place. The engineering requirements for each well need to be tailored to the conditions where the well is actually drilled. Therefore, a one-size-fits-all approach is not technically feasible.

The Administration claims this has been "fixed" in the final rule; unfortunately, no one at the Department has provided an answer as to what that means. Meanwhile, the Wall Street Journal has reviewed the draft text and reports that the rule continues to specify a single standard. The article does not specify the level, but explains that companies may petition the Department for deviations, if necessary.

As a businessman, it would make little sense for me to invest millions of dollars in leasing and developing a site that doesn't conform to BSEE's regulations unless I knew BSEE would grant a waiver to a standard set by Washington, D.C. Unfortunately, that level of uncertainty is enough for companies to walk away, particularly if the engineers stipulate that the site conditions do not align with the rigid BSEE regulations. Therefore, whether intended or unintended, this policy approach would establish a *de facto* moratorium on many offshore operations. As a result, we now need verification of changes to the proposed rule before trusting that the Administration is moving forward with a workable solution.

Calvert Q1: Who did you consult prior to issuing the proposed rule, and what substantive changes will be in the final rule? Further, why has the Wall Street Journal seen the revised final rule and no one else outside the Administration? Please provide a copy.

Answer: Prior to issuing a notice of proposed rulemaking for public comment, BSEE undertook extensive efforts to engage with industry and other stakeholders to determine how best to craft the Rule. In May 2012, BSEE hosted a public forum for interested Federal agencies, industry, academia, environmental groups, and the public to discuss the following technical issues regarding well control and blowout preventers (BOPs):

- (1) BOP technology needs identified from Deepwater Horizon investigations;
- (2) real-time monitoring technologies that can aid in diagnostics and kick detection;
- (3) design requirements needed to provide assurance that BOPs will cut casing or drill pipe and seal a well effectively;
- (4) manufacturing, testing, maintenance, and certification requirements needed to ensure operability and reliability of BOP equipment; and
- (5) training and certification needs for industry personnel operating or maintaining BOPs.

Subsequently, BSEE sought and received additional input on those issues from industry groups, individual operators, equipment manufacturers, and other stakeholders through BSEE attendance at industry and public conferences, industry standards committee meetings, and BSEE's own standards workshops. The BSEE also invited industry assessments of BSEE-funded technology research projects. The BSEE conducted at least 50 meetings with various companies, trade associations, regulators, and other stakeholders as part of this process before the Bureau proposed a Rule. The BSEE also considered over a hundred recommendations when writing the Rule, from numerous external expert organizations.

The BSEE issued a notice of proposed rulemaking when it released the proposed Well Control Rule in April 2015. The BSEE initially invited public comment on the proposed Rule for 60 days, but extended the comment period to 90 days at the request of numerous industry commenters. The BSEE's engagement with industry continued during the 3-month public comment period, when the Bureau held at least 18 meetings with a number of different companies and entities. More than 170 commenters, including many industry representatives, filed comments on hundreds of technical issues. Industry comments, often very detailed, included suggested revisions to the proposed regulatory text. Teams of BSEE subject-matter experts then carefully considered all of the relevant comments.

Based upon this comprehensive and transparent outreach, we are in the process of completing a final Well Control Rule. The Rule will not take a "one-size-fits-all" approach. The Rule contains a number of performance-based provisions intended to allow compliance through a variety of different methods. These provisions will allow for the development and deployment of new technologies as long as they adequately protect the safety of rig personnel and the environment. BSEE is confident that there will be no "de facto moratorium on many offshore operations", as the Rule is based in large part on existing industry standards that companies are presently following or should be expected to follow. In addition, where significant equipment modifications are required, the Rule will allow for phased implementation time periods. The

BSEE staff have carefully considered all industry comments and input, including those suggesting that specific provisions will lead to less drilling activity, in the process of drafting the Rule.

Central to BSEE's mission as a regulator of offshore operations are the dual goals of protecting the safety of offshore personnel and the environment. The Well Control Rule, when published in final, will be the result of five years of careful, thorough, and collaborative work following a blowout that resulted in the loss of life and a discharge of more than four million barrels of oil into the Gulf of Mexico.

To the best of our knowledge, the Wall Street Journal did not have a copy of the draft final rule. We are unable to provide a copy of draft rules or discuss in detail specific provisions when the document is under E.O. 12866 review.

Calvert Q2: Wouldn't it be prudent to take comment on a revised, draft rule or does process supersede substance?

Answer: In light of the extensive stakeholder engagement, outlined above, and the careful consideration given to the comments we received, BSEE does not feel that additional technical engagement is required at this time. The Bureau has evaluated industry's questions and concerns and given extensive consideration to comments that could improve the quality of the Rule.

Question: Another area of concern relates to real-time monitoring. Many large deepwater companies already operate with real-time monitoring. However, several of the requirements in the proposed rule would eliminate the ability for companies to determine what is most practical based on their operations, which would be a huge operational cost.

Answer: Most companies operating in deepwater have real-time monitoring systems in place. BSEE considered industry comments and concerns. The final Rule will provide an appropriate level of flexibility for operators and ensure the safety of operations in deepwater.

Calvert Q3: Secretary Jewell, what is the Department's goal for monitoring and what does the Department intend to do with all of the monitoring data? This does not seem to be a risk management issue.

Answer: Real-time monitoring ensures that the operator has the ability to view and analyze data from all operations, from both onshore and onboard the facility, thus providing an extra set of eyes and additional technical support when needed. Real time monitoring data will be collected and maintained by the operators.

Question: Finally, there seems to be a significant disparity on the estimated costs of the rule. BSEE's estimated cost for the proposed rule is \$882 million over 10 years. The Wall Street Journal reports that number is nearly unchanged for the final rule (\$883M). It's not clear how that can be the case if the Department has listened to public comments. Meanwhile, the Quest study estimates the cost for the rule is closer to \$32 billion. The wide range indicates that the costs of the rule remain an open question. If the drilling margins and real time monitoring issues

are not resolved in the final rule, and that precludes companies from producing in certain areas, then that imposes a lost opportunity cost, which certainly would mean that the Department has underestimated the costs.

Answer: BSEE arrived at its cost estimate by employing a careful section-by-section analysis of the Rule to produce the regulatory impact analysis and identified provisions that would result in compliance costs beyond those already incurred by industry in conforming to the latest industry standards. BSEE disagrees with many of the assumptions made in the Quest Energy study, which are the foundation for the higher cost estimate of that report. In addition, the Quest study is flawed as it does not include an analysis of the many benefits of the Rule, including reduced fatalities, reductions in the likelihood of oil spills, and significant overall savings associated with lower testing frequencies and reduced wear and tear on equipment.

Calvert Q4: How have the costs not changed in the final rule as reported by the Wall Street Journal? Have the Department and OMB taken a second look at the costs associated with the rule?

Answer: Yes, the Department and OMB have taken a second look at the costs associated with the Rule. The regulatory impact analysis, which analyzes the costs associated with complying with the Rule, is undergoing modification to reflect any changes to the proposed Rule and information provided through public comments.

Calvert Q5: Does the Department have an estimate of how many existing wells meet the requirements in the proposed rule? If the Department estimates that the rule will prevent the development of new wells, how does the Department factor the cost of lost production and revenue to the government into the analysis of the rule making?

Answer: These factors are taken into account by the regulatory impact analysis, which is undergoing modifications to reflect the changes to the proposed Rule.

Endangered Species Act

The Endangered Species Act requires the Secretary to conduct a status review for each listed species every five years, and to determine, based upon this review, whether the species should be uplisted, downlisted, or delisted. This was an issue addressed in a bipartisan fashion in the recently enacted FY16 Omnibus.

Calvert Q6: Do you have enough money in your proposed FY17 budget to stay on top of all of these five-year reviews and determinations, or is there a backlog?

Answer: The FY 2017 Budget includes \$89.2 million for the Recovery Program, an increase of \$7.2 million over the FY 2016 Enacted. This will support on-the-ground recovery efforts as well as five-year reviews, recovery planning, and preparation of delisting and downlisting rulemakings. Of these activities, the Service has traditionally prioritized on-the-ground work, as that most directly contributes to species recovery.

There are 1,510 listed species under the jurisdiction of the Service, of which 610 have current five-year reviews and another 194 species have not been listed for five years so do not yet require a five-year review. The Service currently has 401 reviews in progress and 305 reviews yet to be completed, and these reviews often can be complex and take more than a year to complete. In order to keep up in a timely way, we should be performing about 250 - 260 reviews a year. However, due to resource constraints and the urgency to perform other recovery duties as mentioned above, the maximum number of reviews the Service has been able to complete in a fiscal year thus far is 179 reviews.

Calvert Q7: Can funds be moved from lower priorities elsewhere in the Fish and Wildlife Service's \$1.5 billion budget to meet your ESA statutory mandates? Will you work with us on this?

Answer: The Fish and Wildlife Service has achieved substantial cost savings as a result of the Administration's efforts to reduce costs for supplies, leased office space, and other expenses. The Service has focused available resources on its highest priorities. There are no low priorities that can be de-funded without significant consequence. The President's budget requests increases totaling \$18.3 million for the Ecological Services Program, including \$7.2 million for the Recovery Program to support, in part, completion of additional five-year reviews.

Review of Federal Coal Leasing Program

I understand that the Department has initiated a three-year review of the Federal coal leasing program as well as a moratorium on new coal leasing on public lands. It's likely that the Department will face a number of lawsuits on the decision to halt coal leasing on Federal lands. And, I wouldn't be surprised to see efforts to legislatively to block this moratorium.

Calvert Q8: How did you establish three years as the timeframe to complete a review of the Federal coal leasing program? Have you set a specific deadline for completing this review?

Answer: There is not a formal deadline set for completion of the programmatic review process required under Secretarial Order (S.O.) 3338. However, based on prior programmatic reviews of the coal program, as well as the Department's experience preparing other Programmatic Environmental Impact Statements (PEISs) of similar scope and scale, we estimated that the PEIS called for by S.O. 3338 will take approximately three years to complete.

Calvert Q9: Have you or the Administration focused on the effect a moratorium on leasing on public lands will have on energy jobs? How many coal-related jobs will be lost as a result?

Answer: Based on its review of current leases, the Department does not anticipate that the pause established by S.O. 3338 will meaningfully affect production levels. Under the pause, companies may continue to mine the large reserves of undeveloped coal already under lease. Based on current production levels, coal companies now have approximately 20 years of recoverable coal reserves already under lease on Federal lands. This estimate may be conservative as the United States Energy Information Administration (EIA) analyses and other

market trends show continuing declines in demand for coal as evidenced by the fact that many of the currently pending lease applications with the BLM are on hold at the companies' request.

Given the abundance of coal reserves under lease, low industry interest in new leases, and the exceptions to the pause established by S.O. 3338, the targeted pause should have no material impact on current coal production, energy generation, or coal industry jobs.

Calvert Q10: Do you plan on issuing a moratorium on federal lands for oil and gas leasing similar to the coal moratorium? Do you still have plans to increase the royalty rate paid by oil and gas on federal lands?

Answer: There are no plans to take a similar action with respect to the leasing of oil and gas resources on Federal lands. The 2017 President's budget does assume savings associated with oil and gas royalty rate reform. Along these lines, the BLM has proposed to make a targeted change to its regulations governing the royalty rate charged for new competitively-issued oil and gas leases as part of the "Waste Prevention, Production Subject to Royalties, and Resource Conservation" proposed rule. This change would simply conform BLM's regulations to the longstanding statutory requirement that new competitively-issued oil and gas leases have a rate of "not less than" 12.5 percent (30 U.S.C. 226(b)(1)(A)). This change responds to recommendations from the Government Accountability Office and would give the Secretary flexibility to change the rate in the future in response to market conditions.

Bureau of Indian Education Construction

In the FY16 Omnibus, the House and Senate Appropriations Committees urged the Department of the Interior and the Department of the Treasury to explore alternative ways to finance Bureau of Indian Education school construction. These schools are the Federal government's legal responsibility, and too many are in deplorable condition. The solution cannot simply be to reactivate a foundation and hope for donations. There has got to be a way to weave together the myriad Federal tax and spending programs instead of relying solely on this subcommittee to pay in full and up front with cash.

Calvert Q11: Is the Department continuing to explore alternatives, and, if so, would you please update the Committee on these efforts?

Answer: The Department agrees BIE school construction needs are simply too large to address solely through annual appropriations and require consideration of alternative financing options. The 2017 budget maintains the 2016 increase for Education Construction provided by the Committee, however, even if the Department is fortunate enough to maintain the \$138.3 million funding level each year, it is not sufficient to address the backlog of requirements at an appropriate pace.

Last month, Secretary Jewell discussed this issue with Treasury Secretary Lew. The Department's team is currently collaborating with Treasury experts in exploring alternative funding sources for BIE construction projects.

The 2017 budget also proposes to address the significant needs in Indian Education through legislative language to reactivate the National Fund for Excellence in American Indian Education as the National Foundation for American Indian Education. A strong Foundation would help draw private-sector resources and innovative solutions to address the problem.

Calvert Q12: Your budget proposes for the second year in a row to reactivate a foundation created by Congress in 2000 to generate private donations in support of the mission of the Bureau of Indian Education.

Please explain what previously happened to this foundation to cause it to no longer function, and why it should be reactivated.

Answer: In 2002, former Secretary Norton appointed the initial Board of Directors of the National Fund for Excellence in American Indian Education, pursuant to her authority under the Federal Statute establishing the Fund (25 USC 458ddd(f)(2)). Due to various factors, the Board was unable to launch a viable fundraising program. Although the Fund continues to exist as a legal entity and to our knowledge the last known directors have not formally resigned, the Board has not met since 2007, and several of the Fund's key corporate filings have lapsed.

Secretary Jewell has embarked on an ambitious plan to reform Indian education and reactivating the Fund could significantly aid BIE's transformation by providing supplemental funding for facilities, technology, educational programming, and more. As part of her initiative to improve Indian education, Secretary Jewell would like to reactivate the Board with new directors who are skilled fundraisers and willing to contribute their own assets. The Fund's governing statute strictly limits the support the Department may provide to the Fund and allows the Board to expend only 10% or less of the total donations it received in the prior fiscal year for administrative costs. Because the Board has never secured any donations, it currently has no available funds for administrative costs.

Calvert Q13: How much are you asking this subcommittee to appropriate for FY17 to help get the foundation going again?

Answer: There is no dedicated funding requested in the FY 2017 President's budget.

Calvert Q14: Have you met with the authorizing committees of jurisdiction, and have they scheduled hearings on the proposal?

Answer: The Department has requested the language as part of the general provisions in the appropriations bill. The authorizing committees have not scheduled hearings on this.

If not, then:

Calvert Q15: Why does the proposal change the name of the foundation from "National Fund for Excellence in American Indian Education" to "National Foundation for American Indian Education"?

Answer: The Department has been advised that the original entity may not be able to regain its status as a tax-exempt public charity because it has not remained in good standing. Therefore, the Department seeks authority to reactivate by establishing an entity with an unblemished record that is certain to qualify for tax-exempt status.

Calvert Q16: Why does the proposal eliminate the requirement that the Board of Directors shall have at least 11 members?

Answer: The Department believes a smaller Board can be launched more quickly and will function more effectively.

Calvert Q17: Why does the proposal eliminate the requirement that members of the Board be knowledgeable or experienced in American Indian education?

Answer: The Department would like to expand the pool of potential directors to include individuals who are most likely to succeed in making the Board a successful fundraising entity.

Calvert Q18: Why does the proposal eliminate the requirement that the foundation's chief operating officer be knowledgeable and experienced in matters relating to education in general and education of American Indians in particular?

Answer: Because the officers of the Foundation are elected from among the members of the Board of Directors this requirement would have to be eliminated for the Chief Operating Officer position to ensure that there would be a qualified candidate for the position.

Payments in Lieu of Taxes (PILT)

The Fiscal Year 2017 budget request once again proposes a one-year extension of the mandatory funding for the Payments in Lieu of Taxes (PILT) program. PILT funding in the amount of \$452 million was provided in fiscal year 2016 through discretionary funds in this bill. The cost for this proposal in FY17 is \$480 million.

Calvert Q19: Has a suitable offset been identified to pay for PILT as a mandatory program next year? When do you expect the Department to submit a legislative proposal to the authorizers (the Resources Committee)?

Answer: The 2017 President's Budget includes a range of proposals that could be used to offset mandatory funding priorities such as the PILT program. The Department is happy to work with the authorizing committees on a legislative proposal that contains suitable offsets for long term funding of PILT.

Calvert Q20: Many of those concerned about the acquisition of additional Federal lands in their states worry about potential lost revenue streams, especially with the uncertainty regarding long-term funding for PILT.

Have you had any recent conversations with the relevant authorizing committees in the House and Senate about long-term mandatory funding of PILT?

Answer: The Department has not engaged substantively with the authorizing committees on this issue; however we welcome the opportunity to work with Congress to develop a longer term strategy for providing sustainable levels of funding for PILT payments.

Wildland Fire Management/Budget Cap Adjustment Proposal

The FY 2017 budget once again proposes to establish a new budget framework for the Wildland Fire Management program. Within the Department's proposed budget, \$825 million in discretionary funds (70 percent of the 10-year average for suppression costs) is requested for fire suppression. An additional \$290 million is requested for fire suppression through a budget cap adjustment. Every member of this subcommittee has signed on as a cosponsor of Congressman Simpson's cap adjustment bill. We need to get this done. Short of passing the Simpson bill, the only way to successfully adopt the budget cap proposal is to have the House and Senate Budget Committees get on board.

Calvert Q21: First, how did the Department determine the budget cap adjustment funding level of \$290 million for FY 2017?

Answer: The requested cap adjustment amount of \$290 million is the difference between the total estimated suppression funding need (\$566 million) and the 70 percent of the 10-year suppression average (\$276.3 million) that is included within the discretionary budget caps. The estimated suppression funding need is produced by a forecast model developed and run by the United States Forest Services' Southern Research Station (the FY16 outyear models for both agencies are identical in structure). Specifically, the \$566 million ties to the upper bound of the 90 percent confidence interval of their November 2015 Outyear FLAME forecast for 2017. The following are the calculation process and 2017 amounts:

Calculation: [Upper bound of FLAME forecast] minus [70% of 10-year average] equals [Cap Request]

$$\$566 - \$276.3 = \$289.7 \text{ (rounded to } \$290\text{)}$$

Ten Year Average	\$394.7 M
70% of Ten-Year Average	\$276.3 M
Upper bound of 90% confidence interval of the Nov. 2015 Outyear FLAME forecast for 2017	\$566.0 M

Calvert Q22: What interaction have you had with the Chairman Price of the House Budget Committee or Chairman Enzi of the Senate Budget Committee to promote this proposal?

Answer: The Administration intends to work closely with the Committees of jurisdiction, including the House and Senate Budget Committees, to urge support for the proposed budget cap adjustment.

Sage-grouse Conservation

Through the formal comment process and lawsuits, BLM's sage-grouse conservation plan has been challenged as either going too far or not going far enough. One area that concerns me as going too far is the segregation and potential future withdrawal of 10 million acres from mining. I understand that BLM is reviewing the 10 million acres to determine those that truly contain important sage-grouse habitat.

Calvert Q23: I've heard that some of those segregated acres are developed and have been for a long time. For example, they include school play grounds and currently operating mines. Why would these acres be segregated? How are these inconsistencies being addressed?

Answer: There are some areas within the Sagebrush Focal Areas (SFAs) being proposed for withdrawal where development currently exists. The proposed withdrawal and associated 2-year mineral segregation is in response to the implementation requirements of the Approved Resource Management Plans (ARMPs). At this preliminary stage of the proposed withdrawal, we are gathering relevant on-the-ground information to inform an analysis and disclosure of the potential impacts of a withdrawal lasting up to 20 years. In December 2015, the BLM held eight public meetings in Lakeview, OR; Salt Lake City, UT; Boise, ID; Rock Springs, WY; Sparks, NV; Malta, MT; and Elko, NV. The BLM has also invited all affected states and counties to be cooperators in the development of an environmental impact statement (EIS) to assist in this effort.

Calvert Q24: When will a final determination be made? Can you tell us more about this process?

Answer: The analysis and disclosure of potential impacts will be reported in the Draft EIS, which is anticipated to be released for public review by January 2017. The BLM hopes to complete its final EIS analysis by Summer 2017 and submit it to the Secretary of the Interior for a final decision. The BLM is currently in the process of gathering information for analysis and disclosure of the potential impacts of a withdrawal lasting up to 20 years. All affected States and counties have been invited to participate in this public process by being cooperators in the development of the EIS.

Calvert Q25: Let me reiterate that it's important that all partners in the sage-grouse conservation effort, and the public, have faith in the science and data that underlies BLM's decisions. Claiming that play grounds or mining pits are prime sage-grouse habitat does not instill confidence in anyone.

Sticking with the sage grouse issue for a moment, through the farm bill's conservation programs and the technical expertise provided by the Natural Resources Conservation Service (NRCS), more than \$425 million has been invested in on-the-ground conservation measures to restore, conserve and enhance sage-grouse habitat. More than 1,100 ranchers have enrolled 4.4 million acres, marked or moved 590 miles of high-risk fencing, and removed invasive conifers on more than 405,000 acres. This is an impressive amount of work in the past six years.

NRCS and BLM have different missions, but the land they work on in the West is similar. I have heard some question the benefit and sustainability of conservation on private lands. Do you share this view? What do you think of private land conservation?

Answer: The BLM recognizes that the work done on private lands is integral to sage-grouse conservation. As you have pointed out, an impressive amount of habitat conservation, restoration, and enhancement work has been achieved on private lands through the farm bill's conservation programs and the assistance of the NRCS. The BLM, the NRCS, and the USFS are entering into an MOU in order facilitate a more coordinated approach to sage-grouse conservation across landscapes and land ownerships.

Calvert Q26: Does the regulatory approach under the Endangered Species Act achieve better outcomes?

Answer: The BLM's mission of multiple use and sustained yield allows the BLM to manage uses in such a way as to conserve habitat for wildlife species. In many cases, habitat conservation that occurs as a result of proactive collaboration with multiple partners across a landscape in order to avoid the need to list under the ESA produces excellent results for the species. In fact, the efforts of the BLM in concert with the Forest Service and the Fish and Wildlife Service which led to a "not warranted" determination for the sage grouse is precisely the kind of collaborative conservation effort that can help to avoid the need to implement the regulatory measures authorized under the ESA. Some would argue that this is how the framers of the ESA intended for the law to be implemented – i.e., to protect ecosystems to prevent the need to list species dependent upon those landscapes.

Calvert Q27: How long do you think it will take BLM to achieve similar results as the ranchers, with NRCS's assistance, have been able to achieve?

Answer: The pace of the sage grouse conservation efforts will depend on many factors including resources to accomplish the work, as proposed in the President's FY 2017 request. BLM is coordinating with the NRCS, USFS, and the Sage Grouse Initiative to promote an "all hands, all lands" approach to conserving greater sage-grouse and its habitat. The BLM has an ambitious schedule to conserve sage-grouse habitat by implementing actions that include removing invasive junipers as well as creating fuel breaks to protect expanses of sagebrush from wildfire. Through the MOU and other agreements, efficiencies can be gained to achieve the goals more quickly.

Calvert Q28: Is it possible that private lands will lead the recovery of sage grouse?

Answer: Private landowners who address the threats to sage-grouse that occur on their lands are a critical part of habitat conservation. Now that the BLM and USFS have completed the majority of the land use plan amendments to address the threats on public lands and received funding to implement those plans, we will accelerate our efforts to address the threats that vary across the West and across land ownerships. However, more than 50 percent of the remaining

sage grouse habitat is on federally-administered public lands, which is why conservation measures on both public and private lands are important to recovery of the species.

OSM Stream Buffer Rule

The bipartisan FY16 Omnibus bill directed the Office of Surface Mining Reclamation and Enforcement (OSMRE) to reengage states in a meaningful manner before finalizing any Stream Protection Rule. Specifically, OSM is required to provide the States with all technical reports, data, analyses, comments received, and drafts relating to the environmental reviews, draft EIS, and final EIS. OSM is also required to meet with any primacy State at the request of the State.

These congressional directives are in direct response to OSM's failure to work with the States in a collaborative manner—as partners—in the development of the proposed rule and draft Environmental Impact Statement (EIS). It's absolutely essential that this failure be corrected so States will be more involved in the rulemaking process as the law requires.

Calvert Q29: How is OSM planning to accommodate a State request for documents and information? Will OSM provide all documents related to the rulemaking or only those that pertain to the requesting State(s)?

Answer: OSMRE provided the requested list of documents to the States from July 16, 2015 through the close of the public comment period on October 26, 2015. OSMRE made these documents available on March 24, 2016, by uploading reference materials cited in the proposed rule on the website *regulations.gov* with the exception of reference materials protected by copyright law. OSMRE has also offered assistance through its librarian to those States that request such help to obtain copyright protected materials.

Calvert Q30: How is OSM planning to accommodate a State request for a meeting prior to, or following, the State's review of the information provided by OSM?

Answer: OSMRE offered to dedicate its time at the Interstate Mining Compact Commission on April 18, 2016, to meet with the States. This is the most efficient way for everyone to meet without additional time or expense. However, by letter dated March 7, 2016, the States declined this offer. OSMRE met with States who are members of the Interstate Mining Compact Commission (IMCC) held April 17-20. During these meetings, the Stream Protection Rule as well as other topics such as the \$90 million Pilot program for Abandoned Mine Land reclamation were discussed. The following is a full list of the members of the IMCC: Alabama, Alaska, Arkansas, Illinois, Indiana, Kentucky, Louisiana, Maryland, Mississippi, Missouri, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, West Virginia, Wyoming, and Colorado (Associate Member).

Calvert Q31: How will the results of such meetings be incorporated into the administrative record for the pending rulemaking? What opportunity will there be for further public comment on the new information in the record?

Answer: OSMRE plans to prepare a summary of the State meetings and include it in the administrative record for the rule. However, OSMRE will not reopen the comment period for the rulemaking.

Land and Water Conservation Fund (LWCF)

The President's budget request for fiscal year 2017 includes \$475 million in discretionary funding, and \$425 million in mandatory funding for Department of the Interior and Forest Service projects funded through the Land and Water Conservation Fund (LWCF). Additionally, the budget proposes that starting in fiscal year 2018, the fully authorized level of \$900 million will be requested in annual, mandatory funding. We have seen similar proposals in recent years but have yet to see a legislative proposal for mandatory funding transmitted to Congress.

Calvert Q32: What is your proposed offset to support mandatory LWCF funding in fiscal year 2017?

Answer: The Administration proposes to pursue full, permanent, and mandatory funding of \$900 million for the Fund's programs beginning in 2018. Mandatory funding will increase the financial certainty needed to build and enhance local and community conservation partnerships and optimize valuable investments by leveraging other Federal and non-Federal funds. It will enable efficiencies in managing LWCF programs and facilitate a more predictable, transparent, and inclusive process. Mandatory funding will also finally achieve the original intent of the LWCF Act: to take a small portion of the royalties paid by private companies to access the Nation's offshore oil and gas reserves and invest in the enjoyment of our lands and waters for the benefit of all Americans, now and in the future.

The existing source of LWCF funding is a small portion of offshore oil and gas royalties that can be invested in the protection of our Nation's lands and waters. The Administration believes that we should direct those funds from discretionary to mandatory spending. The President's budget includes a variety of revenue and savings proposals that could be used to offset the costs of providing full mandatory funding at \$900 million for LWCF. The Administration looks forward to working with Congress on the details of legislation that would advance our LWCF proposal, including any necessary offsets for the shift to mandatory spending.

The LWCF enjoys widespread popularity, with more willing sellers than available funding; however, it is constrained by uncertainty about annual appropriations. Unpredictable funding allocations prevent Federal, State, and local partners from engaging in the multi-year planning that large-scale conservation and effective collaboration with local communities need to be successful. These challenges also impact partners who work with bureaus to protect critically important habitat and recreation areas. Chronic uncertainty and underfunding have made it increasingly challenging for local, State and Federal managers to use this tool to support vibrant outdoor economies, provide community recreation opportunities, and preserve American history.

Calvert Q33: How is it feasible to fund a portion of LWCF via mandatory funding when the Department hasn't even identified an offset to pay for PILT? Is acquiring more Federal land more important to the Department than fairly compensating counties for their lost tax revenue?

Answer: Maintaining support for the PILT program reflects the Administration's commitment to promote economic strength in local communities and rural America. We want to be good neighbors to local communities and support continued PILT payments. The Administration requests reauthorization of and funding for PILT consistently, including in the FY 2017 budget. In 2017, the budget proposes to fund PILT as permanent funding not subject to appropriations. The budget proposes mandatory PILT funding for one year, while a sustainable, long-term funding solution is developed for the program.

The Administration recognizes PILT payments support essential community services. For many communities, PILT is a significant component of the local budget – in some areas representing as much as 20 percent of county funding. State and local governments depend on PILT payments to finance such vital services as firefighting and police protection, construction of public schools and roads, and search and rescue operations. These funds make a difference in small communities by allowing them to maintain and improve essential infrastructure. Providing a mandatory source of funding will create greater certainty that PILT investments will be available in future years.

The LWCF was envisioned as a program that would use a portion of the proceeds from the depletion of one resource – offshore oil and gas – for the permanent conservation of another natural resource – land and water – for the benefit of all Americans. Today, the need to make sure there is public access for Americans to get into the outdoors is more important than ever.

Funding LWCF vs Funding Maintenance Backlog

As you know, it's this Committee's job to vet each of the LWCF projects and other uses proposed within the \$475 million request for discretionary funding. To fund the request at that level, our subcommittee would have to cut other priority programs within its jurisdiction, perhaps even from agencies and accounts that support operations and maintenance.

Calvert Q34: How do you respond to those who argue that we shouldn't be using so much of the LWCF to acquire more Federal land, when we have such high maintenance backlogs on the land the Federal government already owns?

Answer: Congress created the LWCF as a program that would use a portion of the proceeds from the depletion of offshore oil and gas resources for the permanent conservation of natural land and water resources for the benefit of all Americans. The Fund has been used to protect national parks, forests, wildlife refuges, and other critical habitat from development or other incompatible uses, and to provide matching grants for our State and local partners for planning, acquisition, and development of outdoor recreation lands and facilities nationwide.

Roughly half of the deferred maintenance backlog is attributable to roads, bridges and tunnels – critical infrastructure historically funded through the transportation appropriation. The maintenance needs of sites managed by DOI are being addressed through funding sources that are available for that purpose, including appropriations that support operations and maintenance. The FY 2017 budget request includes a significant commitment to address the NPS deferred

maintenance backlog. As of the end of FY 2015, the total backlog stood at \$11.9 billion; of this, \$2.4 billion is attributable to the NPS's highest priority non-transportation assets. If fully funded, the levels requested would allow NPS to restore and maintain all these highest priority non-transportation assets to good condition over 10 years. The budget request for deferred maintenance includes \$560 million in a recurring discretionary funding increase, and a mandatory appropriations legislative proposal for \$300 million a year for three years.

Access to public lands is often cited as a major barrier to visits. For the last five years, the Administration has focused on the acquisition of inholdings (99.25% for DOI – within the boundaries of existing park units, refuges, or conservation areas) to assure that all Americans can access these lands for future generations.

Additionally, when done strategically, acquisitions of fee title or easement interests in lands strengthen national parks, wildlife refuges, and other federally-managed public lands, resulting in cost savings that can offset most added operational costs. Funding for the LWCF is critical in acquiring parcels that make it easier and less costly to manage existing public lands. Instead of increasing operating, staff, or equipment costs, the acquisition of inholdings can reduce maintenance and manpower costs by reducing boundary conflicts, unfragmenting conserved lands, simplifying resource management activities, and easing access to and through public lands for agency employees, neighboring landowners, and the public.

Conservation efforts have been underway to consolidate “checkerboard lands,” a mixture of public and private ownership. For example, acquisition of 5,298 acres of inholding parcels proposed for the California Wilderness will consolidate public ownership within designated wilderness to preserve wilderness character, and increase opportunities for the American public to experience wildland recreation. From stunning Sierra forests to the Pacific coastline to vast desert vistas, river canyons, and mountains peaks, California Wilderness areas provide critical wildlife and plant habitat, many within a short drive from major urban centers. The estimated reduction in operating costs would total at least \$50,000 annually from reducing the miles of boundaries BLM has to manage and monitor.

Calvert Q35: With the FY16 Omnibus, we began moving the needle toward a more balanced ratio of Federal to State land acquisition investments. More than 50 percent of FY16 LWCF funds were directed to state and local recreation, conservation, and battlefield protection programs. We continue to believe that we can fulfill the commitments of the Land and Water Conservation Fund by protecting our natural, historic, cultural and recreational outdoor places, without continuing to vastly expand the Federal estate. The Administration's request retains the Federal to State LWCF ratio funded in the FY16 Omnibus.

How have the States and partners responded to the FY16 funding ratio? Will when FY16 NPS State Assistance funding be apportioned to the States?

Answer: States and local partner organizations appear to be pleased with the increased funding for the State and Local Assistance grant program in FY2016 and the recognition by Congress of the importance of close to home park and recreation opportunities. The Secretary announced the FY 2016 distribution on April 18. A State-by-State list of the funding allocation is available

here: [https://www.doi.gov/sites/doi.gov/files/uploads/2016%20LWCF-GOMESA% 20 Apportionment.pdf](https://www.doi.gov/sites/doi.gov/files/uploads/2016%20LWCF-GOMESA%20Apportionment.pdf)

Calvert Q36: Does the NPS track the spending status of NPS State Assistance funds apportioned to the States? If so, please provide for the record a status of balances, by State and by fiscal year appropriated dollars.

Answer: The NPS does track the spending status of individual State Assistance grants, although this aspect of grant performance is the responsibility of the States and local sub-awardees. The NPS also tracks the States' unobligated apportioned funds balances to help ensure they are used. By law, States have up to three years to obligate their apportionments; the year in which the funds were appropriated plus the two following. Thus, currently active LWCF funds available to the States include those appropriated in FY2014 and FY2015, and the FY2014 funds must be obligated before the end of this fiscal year. The attached table shows the discretionary amount apportioned to each State in FY 2014 and FY 2015 (appropriated funding was level so the apportioned amounts were the same) and how much remains.

States have not yet obligated significant amounts of FY2015 funding. There are several reasons for this. First, due to the relatively low funding levels for State grants in recent years, many States have switched to every other year grant cycles, for efficiency as well as to be able to offer larger or a greater number of grants to localities. Thus, in FY 2015 many States submitted applications that were obligating their FY 2013 and FY 2014 funds. In addition, some States cannot release requests for proposals until they receive the apportionment certificate from the Secretary. This creates a lag between the time of apportionment and obligation. Finally, last year's apportionment was signed on August 11, 2015, which was also the due date for FY2015 applications, which impacted obligation rates. If Congress is able to sustain the current, higher funding level for State Assistance, the NPS anticipates States will return to annual competitions, which would increase the annual obligation rate.

State	Total	2015		2014	
		Apportioned	Balance Remaining	Apportioned	Balance Remaining
Alabama	\$591,190	\$660,833.00	\$591,189.57	\$660,833.00	\$0.00
Alaska	\$413,019	\$381,100.00	\$381,100.00	\$381,100.00	\$31,918.50
American Samoa	\$0	\$50,000.00	\$0.00	\$50,000.00	\$0.00
Arizona	\$1,555,302	\$869,453.00	\$869,453.00	\$869,453.00	\$685,849.00
Arkansas	\$527,469	\$527,469.00	\$527,469.00	\$527,469.00	\$0.00
California	\$403,478	\$3,571,192.00	\$403,477.82	\$3,571,192.00	\$0.00
Colorado	\$1,490,516	\$745,258.00	\$745,258.00	\$745,258.00	\$745,258.00
Connecticut	\$1,109,943	\$628,179.00	\$628,179.00	\$628,179.00	\$481,764.00
Delaware	\$804,794	\$402,397.00	\$402,397.00	\$402,397.00	\$402,397.00
District of Columbia	\$192,354	\$96,177.00	\$96,177.00	\$96,177.00	\$96,177.00
Florida	\$1,891,108	\$1,930,399.00	\$1,891,107.72	\$1,930,399.00	\$0.00
Georgia	\$1,981,697	\$1,077,582.00	\$1,077,582.00	\$1,077,582.00	\$904,115.10
Guam	\$45,595	\$50,000.00	\$45,595.00	\$50,000.00	\$0.00
Hawaii	\$790,696	\$445,757.00	\$445,757.00	\$445,757.00	\$344,938.95
Idaho	\$830,332	\$447,012.00	\$447,012.00	\$447,012.00	\$383,319.57
Illinois	\$1,405,082	\$1,405,082.00	\$1,405,082.00	\$1,405,082.00	\$0.00
Indiana	\$1,034,125	\$821,781.00	\$821,781.00	\$821,781.00	\$212,344.00
Iowa	\$548,114	\$548,114.00	\$548,114.00	\$548,114.00	\$0.00
Kansas	\$1,060,074	\$548,537.00	\$548,537.00	\$548,537.00	\$511,537.00
Kentucky	\$1,219,522	\$628,896.00	\$628,896.00	\$628,896.00	\$590,626.00
Louisiana	\$712,119	\$675,326.00	\$675,326.00	\$675,326.00	\$36,792.90
Maine	\$445,186	\$408,194.00	\$408,194.00	\$408,194.00	\$36,992.00
Maryland	\$1,469,715	\$809,774.00	\$809,774.00	\$809,774.00	\$659,941.26
Massachusetts	\$1,628,000	\$889,569.00	\$889,569.00	\$889,569.00	\$738,430.70
Michigan	\$1,090,291	\$1,090,291.00	\$1,090,291.00	\$1,090,291.00	\$0.00
Minnesota	\$1,087,642	\$734,347.00	\$734,347.00	\$734,347.00	\$353,295.00
Mississippi	\$521,005	\$521,005.00	\$521,005.00	\$521,005.00	\$0.00
Missouri	\$484,573	\$778,283.00	\$484,573.12	\$778,283.00	\$0.00
Montana	\$758,008	\$396,485.00	\$396,485.00	\$396,485.00	\$361,523.46
Nebraska	\$468,722	\$468,722.00	\$468,722.00	\$468,722.00	\$0.00
Nevada	\$534,338	\$563,403.00	\$534,338.34	\$563,403.00	\$0.00
New Hampshire	\$294,229	\$421,515.00	\$294,228.82	\$421,515.00	\$0.00
New Jersey	\$1,020,164	\$1,093,287.00	\$1,020,164.00	\$1,093,287.00	\$0.00
New Mexico	\$490,834	\$490,834.00	\$490,834.00	\$490,834.00	\$0.00
New York	\$1,816,363	\$1,948,131.00	\$1,816,363.00	\$1,948,131.00	\$0.00
North Carolina	\$1,458,370	\$1,023,685.00	\$1,023,685.00	\$1,023,685.00	\$434,685.00
North Dakota	\$376,334	\$376,334.00	\$376,334.00	\$376,334.00	\$0.00
Northern Marianas	\$100,000	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
Ohio	\$1,236,596	\$1,236,596.00	\$1,236,596.00	\$1,236,596.00	\$0.00
Oklahoma	\$602,834	\$602,834.00	\$602,834.00	\$602,834.00	\$0.00
Oregon	\$460,560	\$636,533.00	\$460,560.05	\$636,533.00	\$0.00
Pennsylvania	\$2,018,274	\$1,332,859.00	\$1,332,859.00	\$1,332,859.00	\$685,415.00
Puerto Rico	\$1,116,790	\$581,957.00	\$581,957.00	\$581,957.00	\$534,832.50
Rhode Island	\$837,638	\$418,819.00	\$418,819.00	\$418,819.00	\$418,819.00
South Carolina	\$795,626	\$666,725.00	\$666,725.00	\$666,725.00	\$128,901.26
South Dakota	\$384,910	\$384,910.00	\$384,910.00	\$384,910.00	\$0.00
Tennessee	\$752,737	\$792,417.00	\$752,737.00	\$792,417.00	\$0.00
Texas	\$4,760,701	\$2,390,618.00	\$2,390,618.00	\$2,390,618.00	\$2,370,083.00
Utah	\$730,888	\$563,975.00	\$563,975.00	\$563,975.00	\$166,913.00
Vermont	\$556,564	\$366,596.00	\$366,596.00	\$366,596.00	\$189,967.50
Virgin Islands	\$50,000	\$50,000.00	\$50,000.00	\$50,000.00	\$0.00
Virginia	\$948,853	\$948,853.00	\$948,853.00	\$948,853.00	\$0.00
Washington	\$839,708	\$878,476.00	\$839,708.40	\$878,476.00	\$0.00
West Virginia	\$428,507	\$448,487.00	\$428,507.00	\$448,487.00	\$0.00
Wisconsin	\$754,862	\$754,862.00	\$754,862.00	\$754,862.00	\$0.00
Wyoming	\$339,481	\$370,080.00	\$339,480.54	\$370,080.00	\$0.00
Total	\$50,265,830	\$42,000,000	\$37,708,994	\$42,000,000	\$12,556,836

Calvert Q37: The Department, at all levels, must be mindful of the effects its land acquisition decisions have on States, communities, and the public. It is imperative that the Department be sensitive to the needs and concerns of rural counties with large amounts of public lands within their boundaries. The FY16 Omnibus included language requesting that any proposed land acquisition projects demonstrate the support of Federal, State, and local officials.

What changes have you made to your LWCF land acquisition project selection process in response to the Committee's concerns?

Answer: The LWCF projects included in the FY 2017 budget request reflect consideration of several important criteria, including contribution of leveraged funds, partner participation and support, and urgency of project completion to protect natural areas and wildlife species habitats from development or other incompatible uses.

Land parcels proposed for acquisition with LWCF funds are publicly reported in several locations. In the President's Budget submission to Congress, each agency submits a list of proposed acquisitions. Details of each project are located in the Congressional Justifications for BLM, FWS, and NPS, and the USFS budget with full page profiles of each acquisition, including cost, acres, location, and the ecological, economic, and cultural values the project conserves.

Included in the project profile of each acquisition is a list of contributors known to the bureau's State and regional offices that are partners or supporters of the proposal acquisition. These identified contributors include, but are not limited to, the following: State, county or local governments or agencies; national, State or local private non-profit organizations; Federal government partner agencies; charitable foundations; land and battlefield trusts; local and regional committees or networks (including those representing ranchers, farmers, hunters, anglers, and other outdoorsmen); local schools; and private individuals.

These documents can be found at: <https://www.doi.gov/bpp>. Congress authorizes these purchases, and, in a continuing effort to provide user friendly data, the Department provides an interactive map of the properties it submitted for consideration to Congress for the 2017 budget at: https://www.doi.gov/sites/doi.gov/files/uploads/LWCF_BIB_map_FY2017.pdf.

National Park Service Centennial

The National Park Service is beginning its second century in 2016 as one of our country's most iconic and most popular institutions in America. I'm pleased that we were able to make considerable investments in Centennial-related programs last year including efforts to address deferred maintenance needs and leverage philanthropic dollars through the Centennial Challenge program. The budget request for fiscal year 2017 proposes a \$250 million increase above last year's enacted level. Of this increase, \$150 million is dedicated to addressing deferred maintenance which now exceeds \$12 billion.

Calvert Q38: It appears that addressing deferred maintenance needs remains the highest priority within the Park Service budget request. Is this accurate?

Answer: At the end of FY 2015, the NPS deferred maintenance backlog stood at \$11.9 billion. Addressing this backlog is among the National Park Service's priorities. The FY 2017 budget proposes a discretionary increase of \$150.5 million and a mandatory increase of \$300 million for three years in order to help address deferred maintenance. These requests build on the additional \$89.6 million provided by the Committees in the FY 2016 enacted appropriation, and taken together, would restore and maintain the current 7,186 highest priority non-transportation assets in good condition over ten years. These assets account for \$2.4 billion of the total \$11.9 billion backlog.

However, while deferred maintenance remains a priority for the NPS, the top priority in the FY 2017 Budget Request is the +\$12.1 million requested for fixed costs, and the +\$8.1 million requested to cover the cost of extending health insurance to seasonal and temporary employees. If these fixed costs are not supported, national parks will absorb these costs in FY 2017, reducing their operational capacity and flexibility. When fixed costs go unfunded, reducing or eliminating seasonal employees provides one of the only resources available to parks to absorb those costs. Between FY 2015 and FY 2016, the Committees provided \$16.0 million for seasonal employees. To protect that investment and ensure the historic number of visitors at national parks are met with exceptional service and programming in the second century, the NPS must be able to fund increasing fixed costs, including the cost of health insurance for those seasonal employees.

As the NPS prepares to enter its second century of stewardship and engagement, the FY 2017 Request reflects a balanced approach to meeting all of our highest priority needs, from asset repair and protection to fighting the effects of climate change, from protecting our cultural and historic resources to meeting the needs and expectations of the over 300 million visitors to our nation's greatest treasures, our national parks.

Calvert Q39: The FY16 Omnibus provided \$15 million for the Centennial Initiative. Can you describe the extent to which these funds are being leveraged with non-Federal partners and specifically how these dollars are being used?

Answer: In FY 2016, the Centennial Challenge program will leverage \$15 million in federal funds with nearly \$33 million in partner funds for projects that address youth engagement, deferred maintenance and other infrastructure improvement needs in parks across the country. Of the 70 Centennial Challenge projects, more than half have a match greater than 1:1. These projects work with over 90 partners in more than 60 parks. Projects include the restoration of the Mariposa Grove at Yosemite National Park (\$1.2 million federal; \$9.2 million partner), construction of new exhibits at Mississippi National River and Recreation Area (\$150,000 federal; \$150,000 partner), trail rehabilitation at Santa Monica Mountains National Recreation Area (\$65,000 federal; \$91,000 partner), and rehabilitation of a campground for accessibility at Glacier National Park (\$76,000 federal; \$76,000 partner). See below for a complete list of projects.

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
Acadia NP	ME	Support Every Kid in a Park - Conduct Outreach to Fourth Grade Students	32,864	32,864	Friends of Acadia
Andersonville NHS	GA	Replace Window Panels at Prisoner of War Museum	28,390	29,525	Friends of Andersonville
Andersonville NHS	GA	Replace Wooden Walk Bridge at Star Fort Parking Area	7,809	10,545	Friends of Andersonville
Antietam NB	MD	Construct Accessible Walkway in Antietam National Cemetery	75,499	75,500	National Park Foundation
Apostle Islands Nl	WI	Support Every Kid in a Park - Provide Extended Experiential Learning for Students on Stockton Island	5,200	10,000	Northland College and the Friends of Apostle Islands
Bandelier NM, Valles Caldera NPres	NM	Support Every Kid in a Park - Conduct Forest Restoration Monitoring with Youth	20,000	28,000	National Park Foundation, Los Amigos de Valles Caldera, Caldera Action, Los Alamos National Laboratory Foundation
Big South Fork Natl River and RA	KY, TN	Complete Improvements at Appaloosa Field by Grading the Land and Installing a 600 Square Foot Picnic Pavilion	13,000	13,000	Knoxville Arabian Horse Club
Blue Ridge Parkway	NC, VA	Replace Outdated Fire Alarm and Suppression System in Historic Cone Manor House	294,487	411,632	Blue Ridge Parkway Foundation

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
Boston Harbor Islands NRA	MA	Support Every Kid in a Park - Connect Urban Youth to Their Park as Harbor Island Explorers	85,493	260,000	Boston Harbor Island Alliance, Massachusetts Department of Conservation and Recreation, Save the Harbor/Save the Bay, and The Boston Harbor Association
Capitol Reef NP	UT	Repurpose Brimhall House into a Park Arts Center to Engage Youth Through Art	30,197	40,721	Capitol Reef Natural History Association, Entrada Institute, Private Donor
Cedar Breaks NM	UT	Support Paiute Tribal Youth College Scholarships and NPS Careers Program	18,000	18,000	Southern Utah University, Paiute Tribe, Zion National Park Foundation
Chesapeake and Ohio Canal NHP	DC, MD, WV	Rehabilitate Conococheague Aqueduct	1,330,000	7,570,000	various State of Maryland programs
Chickamauga and Chattanooga NMP	GA, TN	Replace Park Entrance Signs at Each of the Twelve Units and Create One Primary Marquee Entrance Sign	24,346	49,160	Friends of Chickamauga Chattanooga National Military Park
Delaware Water Gap NRA	NJ, PA	Conduct Exterior Preservation of the Neldon Stonehouse	131,633	137,617	The Conservation Fund, PSE&G, and Montague Association for the Restoration of Community History
Denali NP and Pres	AK	Protect Wolf Packs Through Long-Term Monitoring Including Citizen Science Data Collection	50,000	50,000	Friends of Wolves
Eleanor Roosevelt NHS	NY	Rehabilitate Historic Val-Kill Swimming Pool	31,713	33,007	Eleanor Roosevelt Partnership

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
Fort McHenry NM and Historic Shrine	MD	Provide Training for Urban Youth to Perform Historic Interpretation	43,056	47,216	The Friends of Fort McHenry
Fort Union Trading Post NHS	MT, ND	Support Every Kid in a Park - Deliver Youth and Newcomer Focused Photography, Writing, and History Workshops	5,200	5,500	Fort Union Cooperating Association
George Rogers Clark NHP	IN	Create and Display 16 Mobile Interpretive Exhibit Panels Designed by Local Youth	3,060	3,060	Old Northwest Corporation, Grouseland Foundation, Vincennes State Historic Sites, Vincennes/Knox County Convention and Visitors Bureau, National Park Foundation
George Washington Memorial Parkway	DC, MD, WV	Construct an Interpretive Historic Trail in the Fort Hunt Park	247,455	247,455	Friends of Fort Hunt
George Washington Memorial Parkway	DC, MD, WV	Replace Fire Suppression System in the Carousel Building and Rehabilitate the Carousel Band Organ Room	172,120	172,284	Glen Echo Park Partnership for Arts and Culture
Glacier NP	MT	Rehabilitate Avalanche Campground Comfort Station for Accessibility	75,763	75,763	Glacier National Park Conservancy
Glacier NP	MT	Transform 1,000 Feet of the Swiftcurrent Lake Trail to an Accessible Trail	23,920	78,312	Glacier National Park Conservancy

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
Glen Canyon NRA	AZ, UT	Support Every Kid in a Park - Provide Curriculum-Based Field Trip for Local Fourth Grade Students	8,320	13,520	National Park Foundation, Lake Powell Resorts and Marinas, Glen Canyon Natural History Association, Page Unified School District
Glen Canyon NRA	AZ, UT	Support Every Kid in a Park - Support a Citizen-Based Acoustic Bat Monitoring Project	39,414	209,165	Grand Canyon Youth
Golden Gate NRA	CA	Resurface Crissy Field Promenade	2,500,000	2,500,000	Golden Gate Parks Conservancy
Grand Teton NP	WY	Enhance Visitor Use and Enjoyment by Improving the Hidden Falls Area at Jenny Lake	750,000	2,356,846	Grand Teton National Park Foundation
Great Smoky Mountains NP	NC, TN	Restore Alum Cave Trail with Youth	78,000	244,300	Friends of Great Smoky Mountains National Park
Great Smoky Mountains NP	NC, TN	Support Every Kid in a Park - Promote Inner City Park Stewards through a Park Education Programs	40,300	50,960	Friends of Great Smoky Mountains National Park, Great Smoky Mountains Association
Haleakala NP	HI	Complete Landscape Fences at Nu'u Upper Elevation	312,000	518,000	National Fish and Wildlife Foundation
Hampton NHS	MD	Repair Historic Entrance Gate	80,052	82,107	Historic Hampton Inc.
Hawaii Volcanoes NP	HI	Rehabilitate the Historic Administration Building	100,000	100,000	Friends of Hawaii Volcanoes National Park
Home of Franklin D Roosevelt NHS	NY	Restore Roosevelt Garden and Deliver Garden Education Programs	285,955	354,310	Roosevelt-Vanderbilt Conservancy

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
Hopewell Culture NHP	OH	Support Every Kid in a Park - Engage Youth in Resource Stewardship	27,000	27,000	National Park Foundation
Indiana Dunes NL	IN	Support Every Kid in a Park - Provide Recreational Opportunities to Underserved Communities	11,750	50,000	Wilderness Inquiry, Northwest Indiana Paddlers Association, Dunes National Park Association
Isle Royale NP	MI	Support Every Kid in a Park - Introduce New Visitors to Wilderness through a Family Camp Program	28,992	31,078	Seaborg Mathematics and Science Center, Private Donor
Lassen Volcanic NP	CA	Support Every Kid in a Park - Develop Camp Programs for Underserved Youth	9,000	9,000	Lassen Park Foundation
Manassas NBP	VA	Support Every Kid in a Park - Develop Project-Based Lesson Plans With Traveling Trunks to Reach New Audiences	5,970	6,328	Manassas Battlefield Trust
Manzanar NHS	CA	Reconstruct Historic Latrine in Block 14 to Illustrate the Daily Life and Privacy Issues in Internment Camp	74,547	80,000	Friends of Manzanar and Private Donors
Mississippi NR and RA	MN	Construct and Install New Exhibits	150,000	150,000	Mississippi River Fund
Missouri NRR	NE, SD	Rehabilitate Park Trails by Improving Accessibility, Trail Signage and Wayside Exhibits, and Install Benches	50,500	59,000	City of Yankton, South Dakota and State of Nebraska
Monocacy NB	MD	Install New Artillery Placement to Enhance Interpretation at Monocacy National Battlefield	39,000	39,000	Private Donor
Morristown NHP	NJ	Improve Accessibility by Remodeling Headquarters Museum Visitor	10,000	10,000	Eastern National

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
		Information Desk			
Natchez Tr. Pky/Brices CrossRds NBS/Tupelo NB	AL, MS, TN	Create Interpretive Materials with Youth and Conduct Trail Rehabilitation	50,000	50,000	Mississippi Lignite Mining Company
National Capital Parks	Multi	Support Every Kid in a Park - Conduct a Wilderness Explorers Program for Urban Youth	53,040	53,040	City Kids Wilderness Project
National Capital Parks-East	DC, MD	Support Every Kid in a Park - Conduct NatureFest Spring Break Program at Kenilworth Aquatic Gardens	7,488	7,846	Friends of Kenilworth Aquatic Gardens
National Mall and Memorial Parks	DC	Enhance Interpretation and Accessibility to Ford's Theatre	300,308	300,310	Ford's Theatre Society
Paterson Great Falls NHP	NJ	Rehabilitate Great Lawn for Public Access	1,850,160	1,875,000	City of Paterson
Pea Ridge NMP	AR	Replace Wayside Exhibits Along the Trail of Tears	2,000	2,000	Benton County Historical Preservation Commission
Petrified Forest NP	AZ	Restore Glass Storefront to Painted Desert Oasis	142,880	150,000	National Trust for Historic Preservation
Point Reyes NS	CA	Restore Drakes Estero By Removing Racks and Debris from Marine Wilderness	2,000,000	2,000,000	National Park Foundation and Point Reyes National Seashore Association
Prince William Forest Park	VA	Support Every Kid in a Park - Provide for Residential Environmental Education for Students	50,000	50,000	Spark

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
River Raisin NBP	MI	Support Every Kid in a Park - Conduct a Hands-On Maritime Camp for Students from Underrepresented Communities	21,000	21,000	The Perry Group and River Raisin National Battlefield Park Foundation
Rock Creek Park	DC	Construct Regenerative Stormwater Conveyance	130,143	385,349	Dumbarton Oaks Park Conservancy
Rock Creek Park	DC	Rehabilitate Five Acres of Parkland, Rock Creek and Potomac Parkway	17,160	88,545	Rock Creek Conservancy
Rocky Mountain NP	CO	Build Accessible Relief Maps for Beaver Meadows and Alpine Visitor Centers	30,000	30,000	Rocky Mountain Conservancy
Rocky Mountain NP	CO	Construct Boardwalk at Lily Lake to Correct Accessibility Deficiencies and Deferred Maintenance	108,967	125,000	Rocky Mountain Conservancy
Saguaro NP	AZ	Update Rincon Mountain District Visitor Center	21,998	41,122	Western National Parks Association
Saint-Gaudens NHS	NH	Support Every Kid in a Park - Conduct Education Programs for Teachers in the Upper Valley area of New Hampshire and Vermont	84,000	84,000	Wellborn Ecology Fund
San Antonio Missions NHP	TX	Conduct Deferred Maintenance on Historic Acequias and Implement Farm Education Program	29,120	31,500	Los Compadres, Kenedy Foundation, San Antonio Conservation Society
Santa Monica Mountains NRA	CA	Realign Illegal Backbone Trail Section	65,416	91,000	REI and The Hind Foundation
Sequoia NP and Kings Canyon NP	CA	Support Every Kid in a Park - Engage Youth in Accessibility Improvements to Hazelwood Nature Trail	96,408	100,000	Sequoia Parks Foundation

National Park Service FY 2016 Centennial Challenge Projects

Park Name	State	Project Title	Request Amount \$	Total Partner \$	Partner
Servicewide	Multi	Provide Opportunities for Every Kid in a Park	1,300,000	1,300,000	National Park Foundation
Shenandoah NP	VA	Rehabilitate Hawksbill Observation Point and Access	58,112	68,283	Shenandoah National Park Trust
Star Spangled Banner NHT	MD, VA, DC	Support Every Kid in a Park - Conduct Education Programs for Teachers through Trail to Every Classroom	54,080	54,080	The Maryland War of 1812 Bicentennial Commission
Thomas Edison NHP	NJ	Develop Accessibility Paths on the Historic Grounds of Thomas Edison's Home Glenmont	170,036	170,036	Edison Innovation Foundation
Timpanogos Cave NM	UT	Support Every Kid in a Park - Provide Fourth Grade Student Field Trips to Timpanogos Cave	8,000	8,000	National Park Foundation
Virgin Islands NP	VI	Rehabilitate Park Trails	35,000	35,000	Friends of Virgin Islands National Park
Yosemite NP	CA	Rehabilitate and Restore the Mariposa Grove of Giant Sequoias	1,165,000	9,240,951	Yosemite Conservancy
FY 2016 Total Projects			\$15,200,321	\$32,651,837	

National Park Service Director, Jon Jarvis

I've recently become aware that Park Service Director, Jon Jarvis, is being reprimanded by the Department for an ethics violation associated with a book he wrote on the National Park Service.

Calvert Q40: Please explain to the Committee the nature of the ethics violation and your plans to address it.

Answer: The Inspector General investigated potential ethical concerns surrounding a book that Jonathan Jarvis, Director of the National Park Service, wrote and had published without consulting the Department of the Interior's Ethics Office. The full OIG report can be found at: <https://www.doioig.gov/reports/investigative-report-jonathan-jarvis>. The response to the OIG report is attached, which details the actions taken in response to the report.



THE DEPUTY SECRETARY OF THE INTERIOR
WASHINGTON

FEB 23 2016

Memorandum

To: Mary L. Kendall
Deputy Inspector General

From: Michael Connor
Deputy Secretary *[Signature]*

Subject: Response to Office of the Inspector General Report of Investigation Regarding Jonathan Jarvis (Case No. OI-PI-15-0609-I)

This memorandum is in response to the Office of the Inspector General (OIG) Report of Investigation (ROI), dated November 19, 2015, concerning National Park Service (NPS) Director Jonathan Jarvis. The ROI investigated whether Director Jarvis used his public office for private gain by seeking a book deal with Eastern National; whether he misused any Government resources in the process; his involvement in Eastern National matters at the NPS around the time of his book deal; and his decision not to seek the Ethics Office's advice about the book.

Although the ROI does not expressly draw any conclusions about the results of the OIG investigation, the Department has reviewed the ROI carefully and come to the conclusion that Director Jarvis did violate Federal employee ethics standards.

The Department takes this matter very seriously and is in the process of taking appropriate personnel actions. I will issue a written reprimand to Director Jarvis, he will be relieved of his responsibility to manage the NPS ethics program for the remainder of his tenure as Director, and he will be required to attend monthly ethics training from the Director of the Department's Ethics Office for the remainder of his tenure as NPS Director. Deputy Assistant Secretary for Fish and Wildlife and Parks Karen Hyun will assume the responsibility of managing the NPS ethics program. These actions are intended to address Director Jarvis' behavior, to strengthen the NPS ethics program, and to enhance the Department's ethics culture.

I am also concerned about the attitude the ROI demonstrates Director Jarvis exhibited toward important Departmental institutions such as the Ethics Office, the Office of the Solicitor, and the Office of the Secretary. These institutions are a resource for all employees to help us to conduct the work of the American people well within the boundaries of law and policy. Senior leaders, including Director Jarvis, must model constructive engagement with these offices. I have personally met with Director Jarvis regarding this matter and am satisfied that he fully understands the unacceptable nature of his conduct.

A strong ethics program is central to the success of the Department. The Department appreciates the OIG's investigation of this matter.

USGS Earthquake Early Warning System

The Early Earthquake Warning (EEW) System has the capability to quickly and automatically identify and characterize an earthquake after fault rupture begins; calculate the intensity of ground shaking that is expected to result; and deliver warnings to people and systems that may experience damaging shaking in seconds or minutes. Recent Federal, State and private investments have result in the EEW prototype, but for the tens of millions of people living on the west coast, this technology is highly anticipated, because the reality is, a modest investment could save many lives.

The FY16 Omnibus rejected the Administration's proposal to reduce funding for the earthquake early warning system and instead provided funds to transition the project into an operational capability for the West Coast. The Administration's request proposes to keep the EEW funding level at \$8.2 million, and to work with the States of California, Washington, and Oregon to implement a "limited" EEW system?

Calvert Q41: In what ways is a limited EEW system an improvement over the EEW prototype? How many more users may receive any early earthquake alerts while the EEW is running in this limited capacity?

To be clear, people want this technology and it has the will of Congress.

Answer: By the beginning of calendar year 2016, there were approximately 75 beta users of the *ShakeAlert* system, including public- and private-sector entities. During the 2012-2015 testing phase, users agreed not to take actions on the alerts the system generated because the software was in development and reliability could not be assured. Now that the production prototype system is operational, beta users are transitioning to it on a case-by-case basis. This arrangement will allow the public to benefit from the system, as selected early adopters develop and deploy pilot implementations that take protective actions triggered by *ShakeAlert* warnings in areas with sufficient station coverage. As the seismic networks are built-out, these early adopters will serve more areas.

The USGS defines "limited rollout" in the context of broadcast of warnings to the public. A limited rollout of *ShakeAlert* will provide broadcast warnings to large numbers of people in areas covered by EEW-capable sensor networks. Earthquake early warning systems like *ShakeAlert* work because the warning message can be transmitted almost instantaneously, whereas the shaking waves from the earthquake travel through the shallow layers of the Earth at slower speeds. When an earthquake occurs, both compressional (P) waves and transverse (S) waves radiate outward from the epicenter. The P waves travel fastest, tripping sensors and causing alert signals to be sent ahead, giving people and automated electronic systems time (seconds to minutes) to take precautionary action before arrival of the slower, stronger S waves and later-arriving surface waves.

Because of the significant investment made in the Southern California Seismic Network, millions of Californians in this area could receive *ShakeAlerts* soon. However, there are three necessary milestones before this happens:

- 1) The system must meet minimum standards for accuracy, reliability, and IT security;
- 2) The public must be educated on the actions to take when receiving an alert; and
- 3) The alert distribution systems must be engaged and tested for reliability.

In each State, these actions will be closely coordinated with State emergency managers.

For alert distribution, the design of the system relies on public and private partners to distribute *ShakeAlerts*. Reliable mass notification at the speed required by *ShakeAlert* does not currently exist. The distributors being engaged are the FCC (Wireless Emergency Alerting), FEMA (IPAWS), private cellular communications companies (currently engaged through ATIS – the Alliance for Telecommunications Industry Solutions), and private companies who use the Internet. The USGS’s engagement with these groups suggests that these (public broadcast) alert distribution systems may not be capable of low-latency mass alerting for several years. Still, despite these technology challenges, users will receive alerts by one or more of several means: radio, WEA, IPAWS, text message, television, Internet, and perhaps other means.

Calvert Q42: What funding level, over what timeline, will be needed to make the EEW system fully operational?

Answer: The 2017 President’s budget request includes \$8.2 million to continue developing a West Coast earthquake early warning system. Along with the funding provided by Congress in 2015 and 2016, the 2017 investment funds rapid progress toward implementation of the limited-coverage system, as described in our response to the previous question. The current estimate, published in the USGS *ShakeAlert* implementation plan (<http://pubs.usgs.gov/of/2014/1097/pdf/ofr2014-1097.pdf>) is \$38.3 million (in 2014 dollars) total capital investment to build the West Coast EEW system, including about \$10 million invested through 2016. The current estimate for annual operations and maintenance of the full system is \$16.1 million (in 2014 dollars). In addition to the public education and mass notification challenges already noted, environmental assessments and permits on public lands are required before installing new seismic stations.

Landsat 9

Landsat is widely considered a crucial national asset. Landsat 9 is the critical follow-on mission to Landsat 8, and the direct replacement for Landsat 7. Additional funding has been requested to accelerate the launch date of Landsat 9 from 2023 to 2021. It is my understanding that if Landsat 7 goes offline prior to a Landsat 9 launch, we run the risk of lost data continuity and lost access to the Nation’s remotely sensed land data.

Calvert Q43: Can you elaborate on the status of Landsat 7 and the importance of concurrent satellite feeds?

Answer: Landsat 7 is currently a decade past its design life and operates on some backup systems. The USGS has determined it has sufficient fuel on board to continue its mission into 2020, and possibly into 2021. Landsat 7, together with Landsat 8, launched in 2013, provides near-weekly coverage of the global land surface. This frequency of revisit provides data for tens

of thousands of users for applications such as agriculture, water resource management, and wildfire monitoring. Some of the most economically beneficial applications, agricultural productivity evaluation and crop forecasting, use Landsat data because the Landsat satellites can perform the swift and frequent inventories fundamental to accurate yield forecasting. Similarly, understanding current conditions and changes in fresh water supplies requires the systematic repeat coverage provided by the Landsat system. If Landsat 7 encounters a mission-ending problem prior to the launch of Landsat 9, coverage would drop by 50 percent, from eight-day revisits of coverage to 16-day revisits, significantly affecting those users. To mitigate the risk of this data gap, the Administration has requested funding in the NASA and USGS budget to accelerate the launch of Landsat 9 to as early a date as possible, and set a goal of a 2021 launch.

Additionally, the USGS requests \$2.2 million to increase the availability and usefulness of the European Space Agency's Sentinel-2 earth observation data, which can also mitigate the impact of an earlier than projected loss of Landsat 7. Sentinel-2 doesn't include thermal data that is critical for water resource monitoring, but it does have many similar spectral bands as Landsat. This will allow current Landsat users to continue applications like agriculture and forest resource monitoring and some wildfire hazard assessment and, at a fraction of the cost of additional satellites, provide more frequent land observations of any spot on the Earth. For both of these reasons, mitigating loss of coverage and increasing overall frequency of coverage, the availability of Sentinel-2 data helps Landsat users.

Salton Sea

The Salton Sea in my home State of California may have been created by accident, but it was once a great tourist attraction for recreation, a water source for the agricultural community of the Imperial Valley, and a lush wildlife preserve for fish and migratory birds. Today, evaporation, limited inflows - mostly from agricultural runoff, and the fact that it has no outlet have resulted in dangerously high salinity for fish and wildlife, and reduced air quality for surrounding residents due to dust emissions.

Calvert Q44: Please outline the severity of these issues for the record and whether efforts to date have helped mitigate concerns.

Answer: The Salton Sea (Sea) is a 350-square-mile closed basin desert saline lake in southern California, and the largest inland lake in the State. The completion of federal facilities in the 1930's facilitated delivery of a reliable and dependable water supply from the Colorado River and enabled a thriving agricultural industry throughout the Imperial and Coachella Valleys. In response to the burgeoning public use of the Sea with this increased water supply, the Salton Sea State Recreation Area was established by the State of California, which facilitated recreation opportunities, e.g. fishing, boating, swimming, waterskiing, and boat racing. The Sea also became an important site for millions of migratory birds, as the fishery in the Sea increased, and wetlands diminished elsewhere along the Pacific Flyway. Many fish species were introduced by California Fish and Game through the 1960's, while salinity levels increased. Although many of these fish species did not persist, three species did quite well: sargo, orangemouth corvina, and croaker. A fourth species, tilapia, entered the Sea from irrigation drainage canals. These four species persisted despite increasing salinity until about 2000, whereupon three species apparently

succumbed to the effects of salinity. In the early 1970's, a series of floods caused widespread infrastructure damage, and increasing salinity caused a series of (ongoing) massive fish kills. As a result, public perception of the lake as a severely degraded resource contributed to the rapid decline in recreation. The remaining fish, predominately tilapia, are very saline tolerant if salinity is the sole factor. They cannot, however, tolerate the physiological effect of salinity and low water temperature (about 50 degree F), nor can they tolerate salinity with the combined effects of poor food, bacterial infestations and diseases.

In 2003, the State of California approved a historic ag-to-urban water transfer agreement known as the Quantification Settlement Agreement (QSA). The transfers embodied in the QSA, which will be achieved through agricultural conservation within the Imperial Valley, will ultimately result in decreased inflows into the Salton Sea. One significant obstacle to completion of the QSA was concern regarding conditions at the Salton Sea; even without any QSA-related transfers the body of water was becoming a hyper-saline lake (and faced declining elevations). That is, the Salton Sea's salinity and elevation will change even *without* implementation of the QSA. The QSA actions did cause tension between the goal of conserved water transfers, which could reduce inflows to the Salton Sea, and the goal of developing a Salton Sea restoration plan. To address this concern, during the first 15 years of the QSA, by agreement, the Imperial Irrigation District is required to deliver non-Colorado River water via exchange, and conserved through land fallowing, to the Salton Sea to fully mitigate for the potential environmental impacts associated with the QSA water transfers through December 31, 2017 (date at which projections indicated pre-QSA trends in resource conditions would reach critical conditions). Starting in 2018, however, when these mitigation deliveries cease, it is anticipated that the decline in lake levels will accelerate, resulting in an increase in salinity.

The Sea has been steadily declining from the 1999 level of - 227.587 to the current level of - 233.893 below mean sea level, because of multiple factors including reduced inflows from Mexico via the New River, increasing irrigation efficiency unrelated to the QSA, and reduced inflows via the Alamo River because of the transferred water. Likewise, salinity has been increasing during the same time period from 43,918 mg/L (or approx. 44 parts per thousand (ppt)) in 1999 to a 2014 salinity of 55,783 mg/L (approx. 56 ppt). Declining Sea levels, causing increasingly high salinity levels, are predicted to impact fish and wildlife and increased dust emissions will contribute to existing poor air quality in the Imperial Valley. If salinity continues to rise at the current rate, then experimental data suggests that tilapia may not persist as a viable population in the lake above 60 ppt. The timing of the demise of this species is dependent on salinity increases, other physiological pressures, and the adaptability of the species itself. Given these constraints, it is unlikely the species will survive and be a sustainable population by 2025 or sooner. Despite our lack of current knowledge of the status of this fish population, the evidence of sustained use of the Sea by fish eating birds suggests a continued robust fish population of tilapia. If, however, during this period, a cold air mass over the region depresses water temperatures to 50 degrees F for more than 5 days, then the Sea will experience a catastrophic loss of fish and will likely not recover. The consequences of a potential ecosystem collapse would initially primarily affect fish-eating birds, but could eventually result in almost complete loss of biological production and diversity. Termination of mitigation water in 2017 and an acceleration of the total water transfer amounts will exacerbate playa exposure, salinity, and concomitant air quality, human health and biological resource impacts.

The impacts to the ecosystem and to the health and safety of residents who work and live near the Sea prompted the California State Legislature to enact several key pieces of legislation in 2003 (SB 277, SB 317, SB 654) directing the State to identify a restoration plan and funding towards the stabilization. One called for an Environmental Impact Review, another made the Sea "restoration" a State responsibility, and a third established California Department of Fish and Wildlife (CDFW) to be in charge of the Salton Sea Restoration funding. The State produced an Environmentally Acceptable Alternative in 2007, which was presented to the California Legislature. The Legislature did not act on funding or implementation of the plan because of its prohibitive cost (approx. \$9B), and the complexity of the proposed restoration project.

While the responsibility to identify and fund a solution for the Sea rests with the State, Interior remains a committed partner and has undertaken several important scientific studies and activities regarding the Sea. Mitigation efforts to date have included projects such as the U.S. Geological Survey/Bureau of Reclamation Shallow Habitat Project, operated from 2005 through 2010, to evaluate the effectiveness of blended water for created wildlife habitat. Water from the Alamo River (low salinity, elevated selenium) was blended with Salton Sea water (high salinity, low selenium). Results indicate that there is a potential for creating viable habitat with minimal environmental risks using available water sources. The project also produced an unexpected benefit by succeeding in providing a habitat for the desert pupfish, an endangered species. Upon project completion, more than 1 million desert pupfish were captured and relocated from this site. This project is the template for other habitat projects such as the Species Conservation Habitat Project (conducted by the State of California and the U.S. Army Corps of Engineers) and the Red Hill Bay Project (conducted by the U.S. Fish and Wildlife Service, in cooperation with Imperial Irrigation District, both intended to demonstrate the effectiveness of providing wildlife habitats and controlling dust emissions. The continued success of these projects will provide the science to support habitat conservation and environmental health protection efforts in the Salton Sea.

Calvert Q45: The USGS Salton Sea Science Office (SSSO) was established in 2000 in response to a request from the Deputy Secretary for DOI to "continuity of the science effort, effectiveness of the science undertaken in support of the restoration project, and efficiency of operations in serving management needs ..." The primary focus is on the natural resources of the Salton Sea, including the sea's ability to sustain biological resources and associated social and economic values.

What is the status of the Salton Sea's ability to sustain biological resources and associated social and economic values?

Answer: The modern Sea remains ecologically productive and diverse, but is being impacted by a number of issues which may affect its future sustainability. Other than the loss of three major fish species (sargo, orangemouth corvina, croaker) and one invertebrate (pileworms) due to increasing salinity in the early 2000's, tilapia populations appear to remain robust as indicated by the continued presence of the large numbers and variety of fish-eating birds. Stable avian diversity is a good indicator of a robust invertebrate, algal and microbial community. However, as a result of the changing chemical composition and lake level decline, the fish community may

soon disappear along with most of the fish-eating birds. If current trends continue, the Salton Sea could become a hypersaline lake similar to the Dead Sea, incapable of supporting any fish or aquatic invertebrates, and thus incapable of providing food for migratory birds.

Whereas the Sea has never served as a *source* of water for the agricultural community, it is nevertheless important as a *repository* for agricultural wastewater. Inflows to the Sea are primarily influenced by irrigation runoff, and are diminishing due to a number of factors, including changes to inflow from Mexico, increased irrigation efficiency unrelated to the QSA and existing ag-to-urban water transfers. Increasing salinity threatens ecological sustainability, and declining inflows contribute to exposing playa sediments, thus creating fugitive dust. Fugitive dust is both a human health risk as well as a threat to agricultural productivity. The receding water level will expose more sediment to the forces of wind erosion, which would increase airborne dust emissions with probable impacts to human health, agricultural productivity, property values, and the regional economy.

As recently as 1999, the Sea was a highly productive fishery (Reidel et al., 2002). Since then, three of five fish species (orangemouth corvina, croaker, and sargo) have been extirpated, most likely due to salinity increases. The remaining two species are the desert pupfish and tilapia. Pupfish are the most salt tolerant, capable of surviving salinities nearly twice that of the Sea today. Tilapia can tolerate high salinity, but cannot survive the combined physiological challenge of high salinity and water temperatures below 50 degrees F persisting for more than 3-5 days. For example, tilapia can experimentally survive 90,000 mg/L salinity in the absence of any other factors. In the presence of other factors such as parasite load, food resources, and water temperatures less than 50 degrees F, tilapia have nearly 100 percent mortality at 55-60,000 mg/L. Due to the anticipated continued increase in salinity levels, currently around 58,000 mg/L, it is likely that tilapia populations will severely decline, with remaining tilapia limited to isolated populations near the river deltas where fresher inflows commingle with saline Sea water. Furthermore, events of summer anoxia brought on by periodic emission of large amounts of hydrogen sulfide, will continue to kill large numbers of fish and invertebrate populations, further compounding the effects of increasing salinity. If current trends continue, the current rate of increasing salinity will remain slow, but the anticipated cumulative increase would still be beyond the biological tolerance of most organisms. The requirement to deliver non-Colorado River mitigation water via exchange, and conserved through land fallowing to the Sea to offset potential effects of the QSA water transfers expires in 2017, and it is therefore anticipated that inflows will decrease quickly and substantially thereafter. Modeling predicts a rapid decline in water surface elevation with a corresponding increase in exposed playa and salinity. The increased rate of salinization means the fish community would disappear more quickly, birds would lose their fish as a food source sooner, and the Sea would transition to a biological "desert" more rapidly. The loss of fish would result in the loss of many species of birds dependent upon the Sea as their primary source of food as they migrate along the Pacific Flyway. Current efforts such as the Red Hill Bay project and the Species Conservation Habitat project by themselves are unlikely to abate or mitigate this trajectory, and the loss of most fish in the Sea is anticipated within 5-10 years after 2017.

Given current trends and agreements, three outcomes for the Sea are highly probable: 1) water levels will continue to fall; 2) salinity will continue to increase, which will significantly alter the

current aquatic life; and 3) dust emissions will become increasingly common as more of the current playa is exposed by receding water levels. The State of California Salton Sea Task Force is considering options to avoid all of these outcomes, and Governor Brown allotted \$80.5M in the State's FY16 budget with which to begin construction of habitat ponds and wetlands on the exposed playa, along with evaluating plans for the long term management of the Sea.

Law Enforcement

Calvert Q46: Does the Department of the Interior have sufficient law enforcement officers and resources to meet the mission of the Department?

Answer: DOI has law enforcement programs in five bureaus: the Bureau of Indian Affairs, Bureau of Land Management, Bureau of Reclamation, Fish & Wildlife Service and the National Park Service. Each bureau has both uniformed officers and special agents/criminal investigators.

The *Bureau of Indian Affairs (BLA)* provides law enforcement services as well as oversight and guidance to 566 Federally recognized Indian tribes with 194 uniformed Federal law enforcement officers. In addition, some tribes have tribal officers.

The *Bureau of Land Management (BLM)* manages 245 million acres of land, mostly in the western United States. BLM's 194 uniformed law enforcement officers patrol an average of 1.25 million acres each. Many officers are required to patrol the most heavily used public recreation lands which are often those lands closest to the Southern California, Las Vegas and Phoenix urban areas as well as BLM's many lands along the U.S.-Mexico border.

The *Bureau of Reclamation (BOR)* manages critical infrastructure dams, reservoirs and water delivery projects in the western U.S. Most BOR law enforcement and security is contracted to local sheriffs' departments. A small number of BOR Federal officers are employed to protect the Hoover Dam.

The *Fish & Wildlife Service (FWS)* manages 150 million acres of public lands devoted to wildlife and critical habitat conservation, hunting, fishing, and recreation. With 329 uniformed officers patrolling 563 wildlife refuges and 38 Wetlands Management Districts, much of FWS's lands are not regularly patrolled.

National Park Service (NPS) Park rangers and park police officers provide law enforcement services on NPS lands across the country. Of the 410 NPS park sites, 203 do not have law enforcement officers and most of the NPS's 1,900 park rangers and park police officers are concentrated in the largest national parks including the heavily used urban park areas of Washington, DC, San Francisco and New York leaving most national parks with minimal staffing.

Calvert Q47: Does DOI have significant crime on U.S. public lands?

Answer: In 2014, DOI's annual Uniform Crime Report submitted to the FBI included 36,617 Part I felony offenses which include homicide, rape, robbery, kidnapping, aggravated assault,

burglary, larceny, motor vehicle theft and arson. In addition, nearly one million other crimes were recorded including assault without weapons, drug and alcohol offenses, fraud, embezzlement, vandalism, sex offenses, illegal alien incidents, resource laws and traffic offenses.

Calvert Q48: Does DOI have direct control over DOI bureau law enforcement officers (LEOs)?

Answer: DOI's Office of Law Enforcement and Security within the Office of Policy, Management, and Budget provides national policy and risk management oversight for all bureau law enforcement programs. Each bureau has operational control of bureau law enforcement officers. Bureau operational controls include:

BIA- (HQ direct line authority) All of BIA's 330 LEOs report to 10 regional Special Agents-in-Charge who report to the Director, Office of Justice Services in Washington, D.C.

BLM- (State/local direct line authority for uniformed LEOs, HQ direct line authority for special agents). In BLM, 194 uniformed LEOs report to local office directors (non-law enforcement) who report to state directors (non-law enforcement) who report to the BLM Director (non-law enforcement). State rangers provide law enforcement coordination with uniformed LEOs but without line authority. BLM's director of law enforcement provides national policy and program oversight and has direct line authority over BLM's 71 special agents but does not have direct operational line authority over BLM's uniformed LEOs.

BOR- (Regional central direct line authority for LEOs) Regional directors (non-law enforcement) provide oversight of all contracted (local sheriffs' offices) law enforcement programs as well as the limited LEO staff at Hoover Dam. Five regional Special Agents-in-Charge provide coordination of local sheriffs' law enforcement programs, and a national director of security and law enforcement (non-law enforcement) provides national policy and program oversight.

FWS- There are two divisions in FWS law enforcement programs: the National Wildlife Refuge System (329 uniformed refuge officers), and the Office of Law Enforcement (197 criminal investigators/special agents)

Wildlife Refuges: (Regional/local central direct line authority for 329 uniformed LEOs). Uniformed refuge officers report to local managers (non-law enforcement) and regional managers (non-law enforcement) who report to a national wildlife refuge manager (non-law enforcement) and the bureau director (non-law enforcement). Law enforcement Zone Officers provide regional law enforcement coordination but without line authority. The national law enforcement chief does not have direct line authority control over FWS's uniformed LEOs but does provide national policy and program oversight.

Office of Law Enforcement: (HQ direct line authority). A separate law enforcement chief in Washington, D.C. has direct line authority over all 197 FWS criminal investigator/special agents.

NPS – There are two divisions in NPS law enforcement programs: National Park Law Enforcement and the U.S. Park Police

National Park Law Enforcement Rangers and Special Agents: (Regional/park direct line authority for 1,301 uniformed park ranger LEOs, and HQ direct line authority for 34 special agents). Law enforcement park rangers report to park chief rangers and park superintendents (non-law enforcement), who report to regional directors (non-law enforcement), who report to the Director, NPS (non-law enforcement). The national law enforcement chief does not have direct line authority of NPS uniformed law enforcement park rangers but does provide national policy and program oversight. The national law enforcement chief has direct line authority over the 34 criminal investigator/special agents nationwide.

U.S. Park Police: (HQ direct line authority) The chief of the U.S. Park Police in Washington, D.C. has direct line authority over the 591 uniformed NPS officers of the U.S. Park Police.

Calvert Q49: What are some of the additional roles and functions that DOI Land Management Law Enforcement Officers fulfill as part of their everyday activities?

Answer: DOI Law Enforcement Officers (LEOs) carry out many roles that make them extremely diverse in mission, unique by skill, and extraordinarily value added. Some of the unique roles and responsibilities that DOI LEOs regularly fulfill and extend well beyond the role of a traditional law enforcement officer include the following:

Education – DOI LEOs use enforcement as one of many tools available to support the broader mission of public lands resource protection and public safety on DOI lands. DOI LEOs use opportunities to educate the public as a compliance strategy, and also provide educational opportunities such as boating safety and hunter safety in daily contacts as well as formal classes.

Resource Protection – DOI LEOs work hard to effectively protect and manage public and tribal lands consistent with the Department's diverse mission. LEOs spend a significant amount of their time protecting the natural and cultural resources, including managing special permits for ranching, grazing, hunting, mineral extraction, etc. DOI LEOs are considered to be international experts for resource related crimes specific to the Archeological Resources Protection Act (ARPA), Native American Graves Protection and Repatriation Act (NAGRPA), and many laws providing protection for threatened and endangered species.

Search & Rescue – Many DOI LEOs are trained and proficient in technical search and rescue to include high-angle and helicopter rescue in extremely rugged lands. In addition, LEOs serve key roles within the Incident Command System (ICS) to manage large-scale incidents for missing persons. Searches can often times span thousands of square miles and last multiple days.

Emergency Medical Services – Many DOI LEOs are trained and proficient in providing emergency medicine in a pre-hospital care setting at the EMT and Paramedic levels. The care

they provide is often in remote and rugged locations where extraction from backcountry environments can take hours or even days depending upon the weather and terrain.

Wildland Fire – Many DOI LEOs are trained and proficient in wildland firefighting to include suppression of natural, human caused and prescribed fires. Their roles as firefighters can vary from initial attack to being part of an engine or a helicopter crew. In addition, they often provide security for fire camp complexes, perform arson investigations, and enforce public safety emergency closures to prevent public access to dangerous areas.

Structural Fire – Some DOI LEOs are trained and proficient in structural fire fighting. Their roles can vary from interior attack and rescue operations to arson investigations.

Climbing Rangers – Some DOI LEOs are trained and perform climbing patrols in technical alpine environments. These patrols may be performed as part of resource protection patrols, search and rescue operations or functions such as annual snow surveys in extreme elevations and rugged environments.

Recreational Boating – Numerous DOI assets have a portion or all of their jurisdiction within a water based environment. Many DOI LEOs are trained as boat operators and patrol a wide variety of waterways such as marine coastal environments, remote islands, natural and man-made lakes, streams and rivers. In carrying out boating patrols they protect fragile aquatic resources and habitat and provide for public safety, often working in close partnership with State and U.S. Coast Guard partners.

Calvert Q50: What actions is DOI taking to address the public's perception of the militarization of law enforcement officers within the United States?

Answer: DOI Law Enforcement Officers have an extremely diverse mission portfolio given that they enforce broad and unique regulations in all 50 States, as well as Territories located around the globe. DOI has initiated recent efforts to evaluate equipment standards and ensure they are consistent with the greater law enforcement community across the country.

Firearms and Specialized Munitions: In the fall of 2015, as a follow up to reports issued by the DOI Office of the Inspector General, the DOI Office of Law Enforcement and Security (OLES) conducted a comprehensive review of each bureau law enforcement program to identify non-standard firearms and specialized munitions. The intent of this review was to establish a baseline inventory of items, justifications for their use, and to ensure training requirements are in place to support effective risk management.

In January 2016, the DOI-OLES issued revised policy to all law enforcement programs updating the standards for approved firearms and specialized munitions. The new policy organizes firearms into two distinct categories: 1) standard, and 2) non-standard. Standard firearms are those issued to the normal patrol officer. This "standard category" is consistent with common law enforcement industry standards. Non-standard firearms include any firearms capable of operating in a fully-automatic mode. Henceforth, all firearms within the "non-standard" category require specific approval by the Director, OLES. The approval process documents

effective risk management after evaluation of criteria such as: objectives, risk vs. benefit, establishment of limitations and controls, security and accountability, training requirements, and evaluation of alternative methods.

DOI has a very limited footprint of LEOs that are trained as precision rifle operators with bolt-action rifles. This specialized function is limited to those individuals that are part of specialized teams, e.g., the U.S. Park Police SWAT Team. Their SWAT program has been designed to assist officers with critical, high-risk situations that exceed the capabilities of the routine patrol officer. By limiting the scope of this activity, effective risk management can be maintained by ensuring that only the most highly trained officers and teams deploy for these types of scenarios.

Uniforms and Tactical Equipment: DOI LEOs wear uniforms in a manner that represent and portray a professional law enforcement program. However, given the diverse and extreme environments that DOI LEOs operate within, a certain amount of local discretion is allowed for deviations where a compelling need can be articulated. However, bureaus are encouraged to ensure consistency is maintained so alternative uniforms are easily recognizable by the general public as DOI law enforcement officers.

Calvert Q51: Please describe the current legal authority the National Park Service and the Bureau of Land Management have to retain collections from damages for repairs.

Answer: The National Park Service and Bureau of Land Management have authorities to allow them to retain collections from damages for repair and restoration.

The NPS authority provided by 54 U.S.C 100721-25 allows NPS to use response costs and damages recovered under the authority or amounts recovered under any statute as a result of damage (destruction, loss of, or injury) to any resource within a unit of the National Park System to be retained and used for response costs, damage assessments, restoration, and replacements.

The Bureau of Land Management annual appropriations language for Service Charges, Deposits and Forfeitures provides general federal authority to collect fees for rehabilitation of damaged public lands. The BLM has specific requirements in the BLM Realty Trespass Abatement Handbook on the deposit and use of rehabilitation/stabilization funds. It states that funds received for rehabilitation/stabilization of damaged lands as result of trespass settlement or bond forfeiture are deposited into the Service Charges, Deposits and Forfeitures account and are available for in-state rehabilitation and stabilization work on lands damaged by trespass.

Calvert Q52: Please describe the proposal to provide similar authority to the Fish and Wildlife Service.

Answer: The Fish and Wildlife Service is requesting language providing the authority, similar to that of the National Park Service and the National Oceanic and Atmospheric Administration, to seek compensation from responsible parties who injure or destroy Refuge System or other Service resources. Today, when Refuge System resources are injured or destroyed, the costs of repair and restoration falls upon the appropriated budget for the affected refuge, often at the expense of other refuge programs. Competing priorities can leave Service resources languishing

until the refuge obtains appropriations from Congress to address the injury. This may result in more intensive injuries, higher costs, and long-term degradation of publicly owned FWS resources. The public expects that refuge resources, and the broad range of activities they support, will be available for future generations. It follows that persons responsible for harm—not taxpayers—should pay for any injury they cause. Unlike other land management agencies, FWS only has criminal penalties (fines) for those injuries occurring on refuge lands, and cases are only prosecuted at the discretion of the Department of Justice. In most cases, the injuries far exceed any fines recovered by the United States Government. With this authority, the recovery of damages for injury to Refuge System resources would be used to: reimburse assessment costs; prevent or minimize the risk of loss; monitor ongoing effects; and/or restore, replace or acquire resources equivalent to those injured or destroyed. This language mirrors the authority that the National Park Service and the National Oceanic and Atmospheric Administration already have.

In 2013, the Refuge System reported seven cases of arson and 2,300 vandalism offenses. Monetary losses from these cases totaled \$1.1 million dollars. Other reported offenses often lead to resource injury and number in the thousands, including off-road vehicle use, trespass, and other natural resources violations. Specific examples suitable for damage recovery under this provision include a case of illegally creating roads through Sequoyah National Wildlife Refuge in Oklahoma including burning acreage and damming a creek; grounding of a ship on coral reefs at Northwest Hawaiian Islands National Wildlife Refuge; and abandonment of property on numerous refuges.

Questions from Mr. Rogers**Coal Leasing Moratorium**

Secretary Jewell issued Secretarial Order No. 3338 regarding the moratorium on federal coal lease sales in January 2016. This order suspends the completion of pending lease applicants and requires that the moratorium on new coal leases continue while the Bureau of Land Management conducts a Programmatic Environmental Impact Statement (PEIS).

Some companies have had leasing applications pending with the Department for over a decade. They engaged in the application process in good faith, understanding that the Department offered them the opportunity to have a decision made on their lease application so long as they complied with the Department's requirements. However, the Department has indicated that it will not complete its consideration of any pending leases.

Rogers Q1: Understanding that companies with pending leases have sustained considerable costs throughout this process, does the Department plan to refund any of these costs so that they may recoup their financial losses now that they know the Department will not issue a decision on their application?

Answer: As S.O. 3338 explains, the BLM can continue to process pending applications while the programmatic review is underway; however, the BLM will not make a final leasing decision on those applications unless one of the exceptions to the leasing pause established by the S.O. 3338 is satisfied. We believe the limited, common sense exceptions to the leasing pause accommodate circumstances that may arise during the pendency of the programmatic review.

Those exceptions allow small lease modifications (160 acres or less), coal lease exchanges, certain preference right lease interests, and projects that meet the criteria set out in BLM's current emergency leasing regulations to proceed. Additionally, pending leases for which environmental analysis under the National Environmental Policy Act (NEPA) has been completed and a final Record of Decision or Decision Order has been issued by a Federal agency under the existing regulations, will be allowed to complete the final procedural steps to secure a lease or lease modification.

The pause does not apply to metallurgical coal (used in steel production), renewals of existing leases, coal leases on tribal or allotted lands, or other BLM, Office of Surface Mining Reclamation and Enforcement (OSMRE), or Office of Natural Resources Revenue (ONRR) actions related to the Federal coal program, such as mine plan approvals. It also does not affect production activities on the large reserves of recoverable coal already under lease.

Rogers Q2. Have you done any analysis on the impact of the moratorium on the coal industry in terms of jobs?

Answer: Under the pause, companies may continue to mine the large reserves of undeveloped coal already under lease. Based on current production levels, coal companies now have approximately 20 years of recoverable coal reserves already under lease on Federal lands. This

estimate may be conservative as the United States Energy Information Administration (EIA) analyses and other market trends show continuing declines in demand for coal as evidenced by the fact that many of the currently pending lease applications with the BLM are on hold at the companies' request. Given the abundance of coal reserves under lease, the low industry interest in new leases, and the exceptions to the pause established by S.O. 3338 to account for circumstances that may arise during the programmatic review, the targeted pause should have no material impact on current coal production, energy generation, or coal industry jobs.

Coal Leasing Approval Process

Some companies have applied for coal lease modifications and waited over a year to have their leases approved. Upon further investigation, it became clear that one cause of the delay was the involvement of environmental groups opposed to the lease application. Even after the deadline for protesting the application had passed, these groups were able to delay the process while they considered protesting the application.

Rogers Q3. Why is the BLM not required to adhere to the deadlines required by the lease modification approval process?

Answer: The BLM is required to comply with a range of statutory and regulatory requirements, such as NEPA and coal valuation procedures, that require careful consideration of the impacts of its decisions, including impacts that may result from lease modifications. These requirements must be satisfied prior to a decision on a lease modification application.

Rogers Q4. Is it the policy of the BLM to allow environmental groups to abide by whatever deadlines they please when they choose to get involved in a pending lease application?

Answer: The BLM provides opportunities for and encourages public engagement by all public land stakeholders. As part of the processes, interested stakeholders may have the right to choose to appeal decisions made by the BLM, subject to applicable legal and procedural requirements.

Questions from Mr. Simpson**Sage-Grouse**

In the BLM budget you propose \$79.2 million for sage grouse conservation. This is a huge increase from the \$15 million you used to request and I would agree to as chairman of this subcommittee. I feel sorry for Chairman Calvert, because that is a lot of money that takes away resources other important programs. Nevertheless, FY16 saw a \$45 million increase in sage grouse conservation funding and now a \$14.2 million increase.

Simpson Q1: What is your ideal funding level and why?

Answer: The BLM identified the additional funding needed in FY 2017, as requested in the President's Budget, in order to continue the sage grouse conservation actions that began prior to and after the land use plan amendments were signed in 2015, and that are needed to accelerate conservation actions.

Simpson Q2: Will there come a point when the habitat does not need an annual appropriation?

Answer: While the amount of annual habitat conservation actions may decrease over time, the Fire and Invasives Assessments for the Great Basin States identified conservation actions that may take 10 years to complete. As a result, some level of continued funding to address restoration needs due to fire, drought, and other factors, as well as monitoring to ensure treatment and habitat objectives continue to be met, will be required.

Wildfire Funding

Simpson Q3: Are there budget accounting issues that cause extra hardship when agencies are forced to borrow for suppression costs?

Answer: Borrowing funding to cover suppression costs creates additional workload for agency budget and financial staff during the height of fire season. Funds must be identified as available and agencies must ensure that sufficient funding remains to cover any remaining charges to those programs. Fire borrowing requires Treasury approval of the financial transactions.

The biggest impact of borrowing is on the programs and accounts from which funds are borrowed. If funds are borrowed from other programs within the Wildland Fire Management account in order to pay suppression costs, it can result in the bureaus having fewer resources available for hazardous fuels management and burned area rehabilitation projects, proven efforts for improving overall forest and rangeland health and reducing the risk of catastrophic wildland fires, and helping these areas recover from wildfire damage. Transfers from non-fire programs disrupt work in those programs until and if there is a supplemental appropriation to repay the transferred amount.

The most important step Congress can take to increase the pace and scale of forest restoration and improve management of the national forests and other public lands is to fix fire suppression funding through adoption of the proposed cap adjustment.

Online Systems for Department of Interior

Question: Not long ago, the Social Security Administration engaged in an aggressive program to obtain a new custom designed computer system to deal with disability claims. After spending over \$300 million, they had a very little to show for it. They had a program racked with delays and mismanagement, but no new working custom system. Likewise, the U.S. Citizenship and Immigration Services spent more than \$1 billion trying to replace its approach to managing immigration documents with digital online forms, and as of this fall it had only a single online form, the form to replace a lost green card online. Much better known are the issues stemming from Healthcare.gov. In short, there is concern regarding the federal government's history managing and implementing websites.

You're probably wondering what does this have to do with the federal land management agencies. As I understand the situation, several agencies under the Department of Interior are working to refurbish the federal government's campsite booking website, Recreation.gov, which hosts virtually all online booking for not only the National Park Service but also the U.S. Fish and Wildlife Service, the Bureau of Reclamation in addition to Forest Service campgrounds, and even many of the Army Corps of Engineers facilities. Many people use this online system every year, and if issues arise (delays, website crashes, etc.) land management agencies could have broader impacts to the recreation fee program in general, particularly as we approach the National Park Service Centennial.

I am asking for an assurance from you that you are going to do everything possible to make sure that any improvements to the online reservation system doesn't risk putting agencies in a situation with rollout delays caused by mismanagement, website malfunctions, data security issues, and untested products or custom created software. I hope you will work to ensure that the system will be dependable, time tested, secure and cost effective for the United States.

Simpson Q4: Will you examine the situation and make sure that we are doing everything we can to avoid the situations I mentioned and ensure taxpayer dollars are being used in the most efficient manner?

Answer: The Recreation.gov contract is funded entirely by revenues generated from the recreation fees and reservation fees charged to visitors who make reservations. The current contract that provides the reservation and trip planning service for Recreation.gov is nearing the end of the period of performance, and will be extended as needed to ensure that there is no disruption of service.

In this digital age, software solutions should be designed not by software engineers writing code but by the people who will be using the system so that the final product truly serves the needs of the government and the people. It is also critical to ensure that the solution is nimble enough to adapt to emerging technologies throughout the life of the contract. The Recreation One-Stop

(RIS) program has been conducting market research for over two years in order to identify emerging technologies and additional vendors who can provide the kind of service that meets modern customer expectations.

The RIS program has adopted the tenets laid out in the US Digital Services Playbook in which we will employ 'Agile' software development principles and processes. Agile development is the new norm in the private sector and, by following its best practices, we aim to provide a superior service and pleasant customer experience. This will entail face-to-face meetings with the contractor's program management and software development teams. We intend to work in short 'sprints' to write, test, and deploy usable code that will provide all of the tools for trip planning, reservations, financial processing, reporting, design, and customer service. As sprints are completed, we will test each portion of the code to ensure that it meets the government's needs and public expectations. Code that does not pass testing will be immediately identified for correction. By using this method, the RIS program will be involved at every step to ensure that we do not end up with an unusable product when it is time to transition. The public and many other stakeholders will be involved in the development and testing throughout this process to ensure that we are able to deliver what the public wants. The contract requirements include the highest levels of information security, privacy protection, secure financial processing, and compliance with all applicable laws and regulations pertaining to government IT services.

Simpson Q5: As a way to ensure data security meets the highest standard, will you be using a Payment Card Industry Data Security Standard (PCI) compliant company?

Answer: PCI compliance is an absolute requirement in the new (and current) contract. With the number of credit card transactions processed, the contractor's system is required to meet the highest level of PCI compliance. The contractor must also deliver security that ensures compliance with the Federal Risk and Authorization Program (FedRAMP), Federal Information Processing Standards (FIPS), Federal Information Security Management Act (FISMA), and the Privacy Act.

Increasing Visitation

Simpson Q6: While many land management agency units are available as part of Recreation.gov, we know there are additional units that could take benefit from additional exposure. What are doing to make sure more of your units are able to be part of the Recreation.gov system and timeframes for bringing them online?

Answer: Recreation.gov currently hosts reservation services for over 3,200 locations which include campgrounds, picnic shelters, cabins, lookouts, yurts, tour ticketing, event lotteries, and a variety of wilderness permits. More locations continue to be added every year. When the system was launched in 2006, the primary focus was to provide reservations for basic front country campgrounds. Since that time, the RIS program recognized the need to expand the service to cover many different types of facilities and activities. This was one of the driving factors in moving to a more agile approach that affords the agencies the flexibility to use the platform for a wide variety of facilities and activities.

The R1S program expects that, upon launch of a new contract, the service will be able to support many more operations; this should facilitate the incorporation of reservation services more broadly. The new contract also requires that the contractor proactively 'market' the service to all agencies where it is appropriate. This includes offering web services which can improve the efficiency and effectiveness of local operations.

Questions from Mr. Joyce

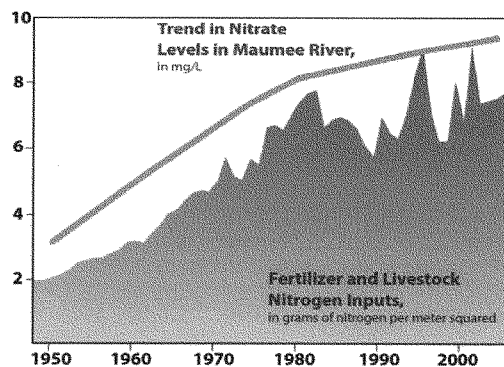
Water Quality Monitoring

The U.S. Geological Survey plays an important role in water quality monitoring. Recently, the United States and Canadian governments announced that they have adopted targets to reduce phosphorus entering affected areas of Lake Erie by 40 percent. These targets echo the commitment by Ohio, Michigan, and Ontario to reduce phosphorus entering the western Lake Erie basin by 40 percent by 2025. A more comprehensive water quality monitoring system is needed in order to determine whether efforts to reduce phosphorus runoff on the ground are effective at improving water quality.

Members of Congress from Lake Erie basin districts need to be able to report to their constituents each year about the progress being made to improve water quality in Lake Erie. The Great Lakes Restoration Initiative, Farm Bill programs, and state funding are being targeted at reducing phosphorus runoff into Lake Erie. We need to ensure that these funds are being used effectively to produce results.

Joyce Q1: What role can the U.S. Geological Survey have in the design of a comprehensive water quality monitoring system for Lake Erie, especially western Lake Erie, and what tools would it need to do so?

Answer: The USGS can serve in a critical role in the design of a comprehensive water quality monitoring system for the Lake Erie drainage basin because of its long and deep experience in addressing similar challenges at scales ranging from small pristine watersheds to the Mississippi Basin. The USGS actively participates in the joint work of the United States and Canada as a member of the 2012 Great Lakes Water Quality Agreements Nutrients Annex Subcommittee, which is designing a water quality monitoring strategy. The USGS has significant expertise in long-term monitoring, is a leader in sensor technology that can generate high frequency data beneficial for tracking water quality changes brought by management practices, and has the ability to manage and disseminate high volumes of associated data.



The USGS recognizes the importance of nutrient loading and understands that long-term monitoring (i.e., a decade or more of quality data) is necessary to identify nutrient trends. The USGS recently published a study identifying the Maumee River as having the largest increase in nitrate concentrations among 22 major rivers across the United States from 1945 to 2008. The Maumee River is the major source of nutrients to the western Lake Erie basin. Having USGS instruments on existing and new monitoring sites on tributaries flowing into Lake Erie with advanced sensors that analyze nutrient concentrations on a continuous basis would enhance tracking and estimation of nutrient loads.

Additionally, USGS is using new methods and technologies to develop early warning systems to alert decision makers of changing water-quality conditions that may affect public health. For example, in 2015, USGS scientists in Ohio developed a promising computer model that uses data from continuous water-quality monitors to quickly estimate toxin levels in Lake Erie and provide advisories to swimmers and boaters. Similar models can be developed near drinking-water intakes.

With respect to necessary tools, the predictive models described above rely on indirect measures to predict algal toxin concentrations at a given time and location. The development of sensors that could directly measure microcystin or other algal toxins would be a significant technological advance.

Joyce Q2: Can the U.S. Geological Survey demonstrate to Congress which practices, at what costs, are best for reaching phosphorus reduction goals?

Answer: At present, there is no solid science to demonstrate which practices are best for reaching phosphorus reduction goals, despite decades of research and monitoring on the efficacy of different management practices at varying scales by local, State, Federal, and academic institutions across the Nation. As noted in the recent Northeast-Midwest Institute (NEMWI) report (<http://www.nemwi.org/lake-erie-report-2/>), monitoring in the Lake Erie drainage basin is inadequate and associated periods of record are insufficient to resolve whether any specific management practices produce the desired nutrient load reductions at the watershed scale.

The best chance of detecting reductions in phosphorus or other nutrients is in watersheds where agricultural management practices are widely implemented and consistently maintained. Research cited in the NEMWI report suggests that approximately 20 to 100 percent of cropland in the western Lake Erie basin would require implementation of some type of management practice to detect statistically significant reductions in total phosphorus over the recommended 10-year monitoring period.

Unfortunately, estimates of the percent of western Lake Erie basin that have had agricultural management practices installed are generally unavailable due to data sharing restrictions and a lack of documentation at the level of detail needed for water-quality analysis. Moreover, Section 1619 of the Farm Bill restricts access to conservation practice data provided to the U.S. Department of Agriculture; water-quality researchers depend on farmers' willingness to share their land management data. Finally, the sampling duration and frequency at monitoring sites

must be sufficient to detect the effects of new changes to the landscape and distinguish them from historical land management practices, climate effects, and other factors.

Great Lakes Science Center

The Great Lakes Science Center has lost nearly 20 percent of its staff over the past 5 years, and those critical positions in the deepwater sciences have remained unfilled due to lack of funding.

Joyce Q3: The president's budget increases Great Lakes Fisheries Assessments funding by \$250,000 to address deepwater science challenges in the Great Lakes. Is that level of funding adequate to allow the Center to replace the lost science capacity, including the backfilling of vacant FTEs working on Lake Erie and the other Great Lakes?

Answer: The \$250,000 increase requested in the 2017 President's budget will provide for the use of advanced technologies for Great Lakes Fisheries assessments. The increase is not intended to return capacity to a historical level.

Joyce Q4: The Great Lakes are ideal proving grounds to demonstrate the use and application of new technologies in fisheries science. Does the president's budget contain adequate funds to improve the demonstration of advanced technologies in the Great Lakes and to transfer that information to other regions of the country?

Answer: The 2017 President's Budget request for \$250,000 will initiate the technology transfer to provide better, faster, cheaper, safer, and more reliable environmental data for use in managing the \$7 billion commercial and recreational fisheries industry in the Great Lakes region. The USGS will begin adapting existing technologies in remote sensing, such as autonomous underwater vehicles, samplers, water quality sensors, and satellite data transmission. The USGS will also use the increase to develop remote biological sampling technology such as environmental DNA, to provide real- or near-real time fisheries data over large geographic regions and under extreme conditions, such as ice cover or storms, where current methods are limited. This research will be carried out in collaboration with multiple federal, state, tribal, university, and industry partners, and as the program fully matures, will be applied to a range of fisheries, water quality, and beach health issues, and will have wide application to management of other freshwater and marine environments.

Joyce Q5: Deepwater sciences are advancing rapidly on the marine coasts, and I am concerned that the Great Lakes may be falling behind in the use of advanced technologies to generate reliable and accurate information. The Great Lakes face biological issues, threats, and management challenges that are every bit as important as the marine coasts, yet the U.S. Geological Survey application of new technologies to the Great Lakes seems to be inadequate. Does the president's budget provide any new resources to allow the Great Lakes to catch up to the rest of the nation in the application of new technologies, particularly during the winter months when ice cover prevents research vessels from operating?

Answer: The development and application of new technologies will enhance data delivery for science-based management of recreationally, commercially, ecologically, and culturally

important fisheries in the Great Lakes. Some of this technology will be specific to fresh water environments, but much can be adapted from advances made to support marine fisheries. The USGS's budget request will initiate a program in the Great Lakes. Significant additional future investment, over an extended period, would be required to implement an advanced technology program to provide science to sustain and grow the fisheries resources in the Great Lakes system.

Questions from Mr. Stewart**Coal**

You have indicated that a number of leases that have received RODs will be grandfathered. There is some skepticism about whether those lease sales will ultimately be allowed to move forward as planned, particularly in light of pressures from the ENGO community.

Stewart Q1: Are you firmly committed to allowing those lease sales to move forward as planned? Can you provide us with some assurance on this front?

Answer: The BLM is processing existing thermal and metallurgical coal leasing applications in accordance with S.O. 3338. Pending leases that have already completed NEPA analysis and received a final Record of Decision or Decision Order by a Federal agency under the existing regulations will be allowed to complete the final procedural steps to secure a lease or lease modification. This includes existing lease applications that are undergoing re-evaluation after having been vacated by judicial decision.

Moreover, the pause established by S.O. 3338 is subject to limited exceptions, and does not apply to metallurgical coal (used in steel production), renewals of existing leases, or leases on tribal or allotted lands.

Management and Planning Authority over Public Lands

As you know, the Bears Ears Coalition has submitted a proposal for the President to designate a monument in Southeastern Utah. The proposal includes a unique request that the Tribes and the Federal government will share management of the proposed monument.

Stewart Q2: Would this management structure be lawful? Would it violate the lawful delegation doctrine?

Answer: The Administration is aware of the proposal presented by the Bears Ears Coalition to the President for designation and management of a national monument in southeastern Utah. No determination has been made regarding the potential legality of the proposal.

Stewart Q3: In the absence of any new action by Congress, is it legal to transfer in part or in full the management or planning authority of a monument and national conservation areas to a non-Federal government entity? Is it legal to share in part or in full management or planning authority with a non-Federal government entity?

Answer: A number of statutory authorities potentially apply to the cooperative management of public lands and Tribal self-governance. No specific determinations have been made.

West Coast Earthquake Early Warning System

The President recently issued an executive order regarding seismic risk management standards for federal facilities. At the same time, the President's budget request included upwards of \$17million for the US Geological Survey to continue developing a West Coast earthquake early warning system.

There are private sector entities already operating early warning systems similar to what USGS is working on. For at least one business, those systems have proven successful in California for nearly a decade.

Stewart Q4: Putting aside the sheer unfairness of having a government agency come in and directly compete against the private sector, why do we need to re-invent the wheel? If a private sector solution is ready to protect federal employees *today*, why spend money on a big-government project that may take years to get off the ground, cost more, cover only the west coast, and have no guarantee of success?

Answer: The coalition developing *ShakeAlert* includes the USGS, the Gordon and Betty Moore Foundation, West Coast States, and some of the premier research universities in the region. *ShakeAlert* is being built as a product of the Advanced National Seismic System (ANSS), which Congress authorized in 2000. *ShakeAlert* leverages existing federal and State investments in ANSS infrastructure, including sensors, communications, processing, and software, and draws from expertise within the government and universities. *ShakeAlert* is an extension of what the USGS and ANSS already do, deliver earthquake notifications, but enables us to do it very fast. *ShakeAlert* upgrades to seismic networks will have significant add-on benefits for science and engineering efforts to build earthquake resiliency for the Nation. *ShakeAlert* integrates earthquake early warning with other ANSS products and clients, and integrates earthquake early warning with other outreach and education efforts.

The coalition's vision for *ShakeAlert* involves a significant private sector role to develop and market value-added applications for alerts. The USGS will provide a basic public warning system, but private developers will provide customer-specific applications, such as security systems, hospitals, airports, local public transit, and manufacturing.

Public safety is an inherently governmental function. Government operation ensures continuity (e.g., if there is a recession or a multi-year paucity of large quakes) and that the basic system serves communities that may not be profitable for a private developer to serve. The Federal government has liability protections, accountability to policy makers, and an internal constituency of emergency responders that private companies do not have. A government system can also be multi-purpose, providing value for other uses for the same cost (i.e., cost leveraging). For example, by using the Wireless Emergency Alert System, *ShakeAlert* will not need to build a new mass-notification system specific to earthquake warning.

While several companies have developed or market earthquake-activated switches that take automatic actions, such systems provide minimal warning. No private system that USGS investigated demonstrated the large-scale, networked earthquake early warning capability provided by *ShakeAlert*, which provides maximum warning times.

Stewart Q5: Would you be willing to freeze the USGS project until private sector options currently in operation are fully evaluated?

Answer: The USGS is implementing ShakeAlert in a manner consistent with Congressional direction, the recommendations of USGS Earthquake Hazards Program's federal advisory committee, and with consideration of input from partners and stakeholders. Implementing this technology is vital to saving lives and reducing economic losses in devastating earthquakes.

Resource Management Planning Changes

The BLM published a proposed rule in the Federal Register that if adopted would radically redefine the agency's resource planning process and, indeed its mission in managing public lands in the US that have up to now been managed for multiple use and sustained yield.

At one point the preamble to the proposed rule specifically calls for a removal of the phrase "maximize resource values for the public" as vague and inappropriate, and proposes to add a new objective for resource management planning to:

"ensure that the public lands be managed in a manner that will protect the quality of scientific, scenic, historical, ecological, environmental, air and atmospheric, water resource, and archeological values; that, where appropriate, will preserve and protect certain public lands in their natural condition; that will provide for outdoor recreation and human use, and which recognizes the Nation's need for domestic sources of minerals, food, timber, and fiber from the public lands."

Stewart Q6: Is the intention to value energy resources, grazing, motorized recreation less than preservation activities?

Answer: No. The proposed revision aligns the planning rule more closely with the multiple use and sustained yield mandate for management of public lands as required by the Federal Land Policy and Management Act of 1976 (FLPMA), and is closely aligned with the statutory language (see 43 USC 1701(a)(8)). The Planning 2.0 effort does not alter BLM's statutory responsibility or core mission. Rather, the proposal allows for the application of new tools and increased upfront public engagement to make the process more flexible and transparent. This approach, which has already been successfully used in BLM planning efforts, will serve a wide variety of planning goals.

Stewart Q7: Please explain the objectives of this policy, and explain why this is not yet another effort by this Administration to lock up more public land in the West.

Answer: FLPMA requires the BLM to develop plans to guide the management of public lands under its jurisdiction. The current planning rules have not been updated in over a decade and are intended to reflect lessons learned to improve planning and, ultimately, the management of the public's lands. The revised language that proposes to add a new objective for resource management planning comes directly from the congressional direction to the agency provided in FLPMA Section 102 (a)(8), which specifies that the public lands:

“be managed in a manner that will protect the quality of scientific, scenic, historical, ecological, environmental, air and atmospheric, water resource, and archeological values; that, where appropriate, will preserve and protect certain public lands in their natural condition; that will provide food and habitat for fish and wildlife and domestic animals; and that will provide for outdoor recreation and human occupancy and use;”

and FLPMA Section 102 (a) (12), which states that the public lands:

“be managed in a manner which recognizes the Nation’s need for domestic sources of minerals, food, timber, and fiber from the public lands including implementation of the Mining and Minerals Policy Act of 1970...”

The BLM mission of multiple use and sustained yield as described in FLPMA Section 102 (a) (7) is also referenced in the proposed rule multiple times.

FLPMA provides mandates that the BLM set and take actions toward achieving desired conditions and outputs from the public lands. The proposed rule attempts to more closely reflect the direction provided by Congress from FLPMA, as evidenced by its nearly verbatim recitation of FLPMA authority.

Questions from Ms. McCollum

Climate Change – Insular Areas

Last July, Saipan was devastated by a typhoon. The typhoon was the worst storm to hit Saipan in almost 30 years and it caused widespread damage.

Our insular areas are some of those most profoundly affected by climate change. Eroding beaches are displacing residents and aquifers are being contaminated by the rising sea levels.

McCollum Q1: What is the Department doing to help our insular areas deal with the effects of climate change and how does that work fit into the Department's larger climate change framework?

Answer: The Department addresses climate change in the U.S. insular areas through the Office of Insular Affairs (OIA) and Department-wide Climate Science Centers and Landscape Conservation Cooperatives.

OIA implements a range of educational and outreach efforts, and funding and policy initiatives, in coordination with Landscape Conservation Cooperatives in the Pacific and Caribbean, to provide technical assistance and capacity building on climate change adaptation and resiliency strategies in the U.S. insular areas.

In February 2015, OIA highlighted climate change as a main topic of discussion at the Senior Plenary Session of the Interagency Group on Insular Affairs. This was followed by the first ever Insular Areas Climate Change Stakeholder Meeting in Guam, hosted by OIA and the Government of Guam in June 2015. Government officials and stakeholders discussed progress to date in developing climate change adaptation and resiliency plans. The OIA is also working to integrate climate change adaptation and resiliency priorities in the use of Compact funds for the Federated States of Micronesia and the Republic of the Marshall Islands. In September 2015, the United States and the Republic of the Marshall Islands agreed that the Republic of the Marshall Islands will encourage use of its Compact Funds of \$52.3 million in 2016 to prioritize or implement climate change adaptation policies, plans, assessments, and projects. The Office of Insular Affairs awarded several grants in 2015:

- \$150,000 to the Micronesia Conservation Trust (Federated States of Micronesia) to conduct a vulnerability assessment on Pohnpei's 5,500 hectares of mangrove forest; assess the feasibility of funding habitat conservation by marketing carbon credits; and share project results to catalyze similar projects throughout Micronesia;
- \$335,156 to the University of Guam to focus research, policy-making and action on the dire conditions of the region due to climate change;
- \$300,000 to the American Samoa Government to implement climate change research and habitat restoration that directly support conservation of native flora and fauna on Tutuila and Ta'u Islands, the two largest-forested Islands of American Samoa; and
- \$50,000 to the Boys and Girls Club of American Samoa to create a climate change program for youth focused on promoting public awareness, education, and advocacy.

OIA will fund priority projects through its Technical Assistance Program grant process for FY 2016 to advance climate change adaptation and planning strategies in the insular areas. Grant applications are currently being reviewed and are expected to be awarded by the first week of April.

On the policy front, OIA also forwarded a legislative proposal to Congress to help relocate the people of Bikini, who will have to leave their low lying islands due to rising sea levels. They will need resettlement options outside of the vulnerable Marshall Islands.

To help further all of these efforts, OIA's budget request for Fiscal Year 2017 proposes several climate change related funding increases, such as \$4 million for resilience efforts, \$2 million for advancing renewable energy, and \$1 million for protecting coral reefs and natural resources.

OIA's work on climate change is based on the adverse impacts of climate change in the insular areas, scientific evidence, and urgent requests by island leaders for U.S. assistance. It is also supported by a series of federal and department-level decrees on climate change, including President Obama's Climate Action Plan, released in June 2013, followed in November by Executive Order 13653 - Preparing the United States for the Impacts of Climate Change.

Arctic Council – U.S. Chairmanship 2015-2017

In April of 2015, the United States assumed a two-year chairmanship of the Arctic Council.

McCollum Q2: Now that it is one year underway can you tell us about the Department of the Interior's contribution?

Answer: DOI actively supports the three official priority areas of the U.S. chairmanship program: promoting ocean stewardship, supporting Arctic communities, and addressing the impacts of climate change. Interior works extensively with interagency and international partners within the Council's various working groups and task forces.

The Department and its bureaus are carrying out a number of actions that advance the Chairmanship priorities, particular by leading the climate resilience program of the Chairmanship. In this capacity, DOI is co-leading, with Sweden, development of the Arctic Resilience Report which will examine drivers of change and evaluate strategies for adaptation; developing a plan for the prevention and management of invasive species that could disrupt economies and the subsistence way of life; and supporting expansion of the Local Environmental Observers network that is integrating traditional knowledge into Arctic decision-making. DOI also led an international resilience workshop in Fairbanks March 14, 2016, and reported the workshop's findings to the Senior Arctic Officials of the Arctic Council nations on March 17. The purpose of the workshop was to identify successes and gaps in building resilience, as well as to identify common priorities for building resilience.

The Department of the Interior continues to lead the U.S. delegation to the Arctic Council's Conservation of Arctic Flora and Fauna (CAFF) working group. In this capacity, DOI has played a critical role in advancing the Council's efforts to monitor biodiversity across the various ecosystems of the Arctic, address the prevention and management of invasive species, understand climate change impacts on marine mammal species, and incorporate traditional and local knowledge more thoroughly into planning.

The Department of the Interior also plays a significant role in the activities of several other working groups, including the Protection of the Arctic Marine Environment (PAME) working group, the Arctic Monitoring and Assessment Program (AMAP), the Emergency Prevention, Preparedness and Response (EPPR) working group, and Sustainable Development Working Group (SDWG). Within these entities, DOI has helped advance efforts to engage with indigenous communities, provide guidance on voluntary standards and best practices and Environmental Impact Assessments for offshore oil and gas operations, develop a framework for Marine Protected Areas, provide guidance on Ecosystem-Based Management, develop an oil spill response equipment database, conduct a circumpolar oil spill response gap analysis, promote renewable energy use, and facilitate access to geospatial Arctic data, digital maps and tools. Further, DOI has supported negotiations of an agreement to enhance international Arctic scientific cooperation through the Science Coordination Task Force.

The President's FY 2017 budget lays out a vision for the future of Federal-State collaboration in Alaska with DOI led initiatives, with our international partners, to make Arctic communities and ecosystems more resilient to changes. The FY 2017 budget for the Department of the Interior includes \$161 million in discretionary funding for Arctic programs. This amount includes an increase of \$1.5 million for Alaska mapping and map modernization. This supports USGS efforts to improve digital topographic information in the Arctic, including 3-D digital elevation mapping.

The budget also includes a proposal for a 10 year, \$2 billion mandatory Coastal Climate Resilience Fund which supports climate-impacted, coastal communities not likely to have the ability to fund resilience efforts on their own. The proposal includes \$400 million to be set aside to cover the unique circumstances confronting vulnerable Alaskan communities, including relocation expenses for Alaska Native villages threatened by rising seas, coastal erosion, and storm surges.

McCollum Q3: What initiatives has it helped to advance?

Answer: DOI is coordinating a series of Arctic Council initiatives to build resilience. The Arctic Council will advance our understanding of changes and vulnerabilities in the Arctic and support best practices for community and ecosystem resilience by completing the Arctic Resilience Report and Adaptation Actions for a Changing Arctic Part C assessment. In addition to supporting action on the ground, these two assessments will produce recommendations for the Arctic Council and national and sub-national governments. The Arctic Council will improve community-based environmental monitoring efforts through the circumpolar expansion of the Local Environmental Observers Network. It will also promote climate data sharing and will develop and promote decision-making tools and services, in part through the expansion of the

Arctic Adaptation Exchange Portal. The Arctic Council will assess likely pathways for the introduction of invasive species as a result of climate change, and will develop a pan-Arctic action plan for preventing and managing these potential invasions. The Arctic Council will also draw upon efforts to institutionalize the “One Health” approach to enhance the underlying resilience of Arctic communities and ecosystems.

The Department has provided other notable contributions to the various Arctic Council working groups through the following:

- Help develop a Marine Protected Area Network mapping and database initiative.
- Help further development of key actions for employing an Ecosystem Approach to Management of Arctic marine areas including organizing and participating in several workshops.
- Co-lead, with three Indigenous Permanent Participant Organizations (Aleut International Association, Inuit Circumpolar Council and Saami Council) and Canada, the MEMA Project (Meaningful Engagement of Indigenous Peoples and Local Communities in Marine Activities).
- Take part in the Shipping Expert Group’s work on the Heavy Fuel Oil initiative and contribute to its shipwreck assessment with the Alaska Shipwreck Database.
- Draft the Regional Assessment for the Beaufort and Chukchi seas for the Adaptation Actions for a Changing Arctic Part C report.
- Provide text and expert review on multiple project proposals (eg. ice seal ecology, Traditional Knowledge and Wisdom, Economics of Ecosystems and Biodiversity).
- Fund a project that expands the Local Environmental Observation Network to include North Slope Borough communities.
- Contribute to developing an inventory of long-term coastal biodiversity monitoring efforts.
- Contribute to Traditional Knowledge projects and implementation strategies.
- Fund a project to update social indicators data for communities on the North Slope.
- Contribute to promotion of meaningful engagement with Indigenous peoples.

Questions from Mr. Kilmer**Tribal Broadband Access**

Recognizing that limited internet access is a serious challenge faced by rural tribal communities, the President's Budget invests \$16 million to enhance broadband connectivity in BIE schools.

Kilmer Q1: What investments is the BIA making to increase access to broadband in tribal schools not managed by BIE?

Answer: The Bureau of Indian Education system includes 183 schools, two-thirds of which are tribally-operated. To attain the State Education Technology Directors Association (SETDA) standard for bandwidth in schools, BIE will be required to significantly increase bandwidth in all of its schools. BIE has been increasing the bandwidth in the BIE-funded schools served by its Education Native American Network (ENAN) including circuits serving tribally-controlled schools. Tribally-controlled BIE-funded schools have the option to not obtain network bandwidth through the BIE and many have chosen to obtain bandwidth through their state or on their own.

The BIE uses the Federal Communication Commission's (FCC) E-rate program to fund the increases in bandwidth but not all circuit charges are E-rate eligible. The FCC E-rate program provides significant discounts for data circuit charges. A list of the circuits comprising ENAN, eligibility for the FCC E-rate, number of circuits, and estimated annual cost is shown in the following table.

Estimated BIE Education Native American Network (Broadband) Costs, FY 2016

Education Native American Network (ENAN) Circuit Type	E-rate Eligible	Number of Circuits	Estimated FY2016 Annualized Cost
BIE-Operated Schools	Yes	53	\$2,525,441
Tribally-Controlled BIE Schools	Yes	81	\$2,359,009
BIE Gateways	Yes	4	\$942,309
BIE Administrative Offices	No	26	\$229,557
Tribally-Controlled Post-Secondary Schools	No	11	\$92,280
BIE Infrastructure Entities	No	3	\$56,159
Tribally-Controlled Education Centers	No	3	\$16,405
Total		181	\$6,221,160

The FY2017 budget includes an increase of \$16.8 million to provide the necessary investment to cover the nonrecurring costs to bring the BIE-funded schools to the SETDA standard. In addition, it provides the basis for a sustainable budget to cover both non-recurring charges to make necessary improvements and the costs not covered by the E-rate program.

Kilmer Q2: What can the BIA do to better support rural tribal communities' efforts to upgrade broadband infrastructure and connectivity?

Answer: Indian Affairs is currently working on two initiatives with other Departments in order to address the issue of broadband access in rural tribal communities. Indian Affairs is working with the Department of Commerce Broadband Opportunity Council. An initial listening session was held November 6, 2015. This initiative involves individuals from the Department of Commerce, Department of Education, Department of the Interior, First Responder Network Authority, and Department of Agriculture. The Broadband Opportunity Council is planning a Native American Broadband Summit for 2016.

Indian Affairs is also participating in the Native Youth Metrics and Budget Working Group to address bandwidth in Native American communities. The working group includes representatives from the Office of Management and Budget, First Responder Network Authority, and the Departments of Justice, Housing and Urban Development, Health and Human Services, Commerce, Interior, and Agriculture.

THURSDAY, MARCH 3, 2016.

**BUDGET HEARING—OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT**

WITNESSES

JOSEPH PIZARCHIK, DIRECTOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

GLENDA OWENS, DEPUTY DIRECTOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

RUTH STOKES, BUDGET OFFICER, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT. The hearing will come to order. Good morning.

Director Pizarchik, at yesterday's hearing, the Secretary committed to everyone at this table—sorry. Hold on here. Excuse me.

All right. I have got to start off with my first opening statement. Yes. I haven't had my coffee yet.

The committee will come to order. Good morning, and welcome, Director. Thank you for joining us to discuss the 2017 budget request for the Office of Surface Mining Reclamation and Enforcement. I believe fiscal year 2012 was the last time we had a budget hearing with you. So thank you for coming back.

We have seen many similar budget proposals from your office since then, and you have seen many similar responses from the committee in return. Last year, however, the budget proposed the POWER Plus initiative to accelerate Federal funding for the reclamation of abandoned mine land areas and to promote economic development in those local economies.

Chairman Rogers, Congressman Jenkins, and I took a look and supported the overall concept. Several administrative components generated concerns, which prompted a retooled, streamlined approach that we thought should be tested in a few States before making changes to the underlying law.

The Subcommittee has high expectations for the success of the pilot, including in the fiscal year 2016 Omnibus, and we will want to discuss our vision for successful implementation today.

STATEMENT OF CHAIRMAN ROGERS

I know that Chairman Rogers would like to be here today, but unfortunately, he has some other pressing commitments at this time. We ask that his testimony be entered into the record.

[The statement of Chairman Rogers follows:]



Chairman Hal Rogers

House Committee on Appropriations

**Fiscal Year 2017 Budget Oversight Hearing:
Office of Surface Mining, Reclamation and Enforcement
March 3, 2016
Opening Statement as Prepared**

Mr. Chairman, thank you for yielding. Director Pizarchik, I appreciate you taking the time to be here today. Welcome to the Interior subcommittee.

Yesterday, Secretary Jewell testified before this subcommittee and we had an extensive conversation about the impact of OSMRE's policies on coal communities around this country. In short, the impacts are profound.

At the outset, I must acknowledge the work of you and your staff on the RECLAIM Act. As this bill begins to make its way through the Committee process, I look forward to hearing comments and suggestions from my colleagues as to how this legislation can best benefit suffering coal communities in their home States. Let me also state my appreciation for your partnership in implementing the new AML pilot program that Congress established in the Fiscal Year 2016 Omnibus. As you know, this program will pilot the core concept of the RECLAIM Act, which is to accelerate the reclamation of abandoned mine lands with an eye toward economic development. While the RECLAIM Act will accelerate payments from the AML fund for reclamation in order to attract investment in planned economic development projects, the AML pilot will utilize general funds to explore how we might reclaim AML land and initiate such projects at the same time. It is my hope that we can get this pilot up and running in short order, so that we can bring real jobs and real hope back to these communities.

Do not get me wrong, Mr. Director, these are important efforts. But here is the unfortunate reality as my constituents see it: Our communities would not be aching for support through this pilot, or for legislation like the RECLAIM Act, if the Administration actually supported the coal industry and our coal miners. My District in Kentucky, and coal communities all across the country, are experiencing an unemployment crisis. Some counties in Eastern Kentucky have 11, 12, and 15% unemployment rates and rising. It is not uncommon to hear about layoffs in the order of 100 and 200 jobs at a time. 10,000 coal miners have lost their jobs in the last 8 years since President Obama took office, and they are struggling to find work in this economic climate. Unfortunately, Mr. Director, regulations such as those coming out of your Department are to blame. While economic development programs and innovative approaches to diversifying and growing these economies are a part of the solution, we will not be able to turn this situation around without regulatory relief.

Coal companies, farmers, and marina owners alike are struggling under the weight of costly regulations issued by this Administration. When they apply for permits, they know they will sink considerable costs without seeing a decision on their application for months or even years. When making decisions about growing their businesses, they know that hiring new employees is a risky decision - because having to shoulder even more expensive compliance costs is almost a certainty.

My most serious concerns are with your agency's proposed Stream Protection Rule. You have spent millions of dollars rewriting the stream buffer zone rule, and have nothing to show for it but a mismanaged process that has all but broken down entirely. The States that you are required to consult with during the rulemaking process have been completely shut out. The bottom line is that this rule stands to eliminate almost 200,000 jobs in my region, and that is a price we cannot afford to pay. The Secretary confirmed that the Department intends to adhere to requirements in the FY16 Omnibus related to the rule, and you can rest assured that this Committee will be following up to ensure OSM works with its State partners.

I cannot understate the importance of this fact -- we need regulatory relief if we are serious about revitalizing Appalachia. I would like to think that helping these communities is a priority we share, and I hope you can shed some light on how you intend to address these issues today. I look forward to hearing your testimony and I yield back.

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Mr. CALVERT. As you know, his district in Kentucky is experiencing an unemployment crisis, and he asked me to convey his thanks for your partnership in implementing this AML pilot project.

Despite these good faith efforts and recognition by the administration of the dire straits in coal country, I share in the chairman's disappointment that the Administration continues to pursue a "keep it in the ground" policy when it comes to coal. While innovative economic development initiatives are part of the solution, the Chairman knows we will not be able to turn this situation around or provide meaningful support to the 10,000 coal miners in his district who are out of work without regulatory relief.

The Stream Protection Rule is a prime example of this overreach, and I trust you have seen the letter that Chairman Rogers and I sent to Secretary Jewell on February 4th, regarding the directives in the fiscal year 2016 Omnibus related to this rule. As we discussed with the Secretary yesterday, these directives reflect an agreement between Congress and the Administration that OSM has not been working with the States as partners. We would like to discuss how that will change this year.

It is also timely that we have this hearing today so as we may recognize the Budget Officer, Ruth Stokes. Today is her last day, and it is only fitting that we offer her our gratitude for her many years of service to our country.

I understand there is some room for interpretation regarding whether you are saying good-bye after 38 years versus 39 years. We will just round it up, just say 39 years, and I hope you have some good, independent trips outside of the budget cycle ahead of you, and we wish you the best in your retirement.

With that, I would like to yield now to our ranking member from Minnesota, Ms. McCollum, if you would like to offer any opening remarks?

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you.

I would like to welcome the Director to the Subcommittee, and I would like to thank you for being here.

And congratulations to Ms. Stokes, and I wish you all the best in your new phase of life. Let us put it that way. I don't think women ever totally retire.

The Office of Surface Mining Reclamation and Enforcement is one of the smaller bureaus that the Department of Interior has, but it plays a vital role protecting society and our environment from the adverse effects of surface coal mining. Last year, we provided \$90 million for reclamation and economic development grants that will all go to three Appalachian States. This was a significant funding infusion, increasing the budget by 60 percent.

These funds will support important necessary environmental restoration and economic development in some of the Nation's most disadvantaged areas. These lands had been ravaged by the damaging effects of mountaintop mining.

The legacy of poor environmental practices and lack of restoration has devastated communities, forcing them to contend with pol-

luted drinking water, flooding, and the threat of leaky sludge dams.

Now I agree that the Federal Government should step in and help these people who have been failed by mining companies that spoil the land and abandon their responsibilities. However, I do not think the Interior Bill is the appropriate place to fund this grant program.

And Mr. Chairman, Minnesota has a history of mining taconite ore and logging. And in the 1930s, after we had almost clear cut from northeastern Minnesota all the way to the Canadian border and dug open pit mines and devastated our rivers, lakes, and streams, we realized we needed to come up with another plan. Part of it was to figure out a way to mine in a sustainable way. Part of it was to heal back the scars that we had created on the surface of Minnesota. And so the IRRRB was formed, which is funded very differently than how we are talking about funding today.

But I say this, Mr. Chairman, because I know firsthand the devastation that continues from the loss of mining jobs up in northern Minnesota, the amount of money the State of Minnesota and the Federal Government has had to come in and spend in doing land reclamation sometimes when the timber companies and mining companies walked away from it.

So I offer that in the spirit of wanting this to work, but I do want to be clear that I think there is another revenue stream or other ways in which we can move forward in the work that needs to be done in these Appalachian counties.

And with that, I yield back.

Mr. CALVERT. I thank the gentlelady.

Director? Oh, excuse me, Director, you are recognized for your opening statement.

OPENING REMARKS OF DIRECTOR PIZARCHIK

Mr. PIZARCHIK. Thank you, Mr. Chairman, Ranking Member McCollum, and Congressman Jenkins. I appreciate the invitation to testify here today on behalf of the Administration's fiscal year 2017 budget request for the Office of Surface Mining Reclamation and Enforcement.

The Surface Mining Control and Reclamation Act of 1977 established OSMRE for two basic purposes. Our primary obligation is to ensure coal mines are operated in accordance with the law to protect citizens and the environment during mining, and to restore the land and water after mining. The second basic purpose is to implement an abandoned mine land program to address the hazards and environmental damage caused from historic coal mining.

SMCRA strikes a balance between protecting people and the environment while enough coal is mined to meet our energy needs, but prohibits the issuance of permits to mine coal where the land and water cannot be restored.

Nearly 39 years have passed since SMCRA came into play, and coal remains an important fuel. It is used to generate about 34 percent of our nation's electricity. OSMRE is committed to proper implementation of the SMCRA, together with the States and Tribes.

SMCRA has been a success at improving land reclamation, but when it comes to protecting our water and streams, we have sig-

nificant opportunities to do better. We know more today than was known 40 years ago, and we continue to strive to completely implement the law to protect the people and the environment.

The States, Tribes, and OSMRE have been successful restoring abandoned mine lands. For example, over 380,000 acres of high priority abandoned coal mines have been reclaimed. To put that in perspective, if all of those abandoned mine lands were in one place, it would cover an area about 10 times larger than Washington, D.C.

Similarly, there were 3,443,188 feet of dangerous high walls, basically manmade cliffs, that were created by coal mining and abandoned mine lands that have been eliminated. If all of those high walls were lined up end to end, they would stretch clear from Washington, D.C. to Detroit, Michigan.

We can take great pride in what has been accomplished, but it will take several billion dollars more to complete the job of reclaiming the abandoned coal mines. Please remember every community that has polluted waters or rivers or dangerous pits has been waiting at least 4 years to have their environment restored.

In fiscal year 2016, we gave the States and Tribes \$224.6 million of abandoned mine reclamation funds, but we were required to withhold more than \$13 million of their money because of sequestration. The people of coal country should not be shortchanged by sequestration when we have their money.

In this case, the Budget Control Act imposes impacts on some of our most needy people, and it does so in a way that actually, in my opinion, counteracts the goals of the Budget Control Act. I urge you to end this penalty on coal communities because since that law came into effect, we have been forced to withhold almost \$71 million of money that we collected from the industry to provide to coal country, and there is, in my mind, no good reason why we should continue to do so. We ought to get that money on the ground where it can be used.

Standing in stark contrast to the sequester is the \$90 million, Mr. Chairman, that you referenced regarding the AML economic development funds provided in the Omnibus Bill. I commend Chairman Rogers and Congress for their efforts to help coal country communities. I commend each of you who voted for this appropriation. Your actions in this regard truly give meaning to the phrase of "Government of the people, by the people, for the people."

Working together, we can pass a budget that supports responsible coal mining and reclamation, and which protects coal miners and their families who have been abandoned by the mining companies.

The 2017 budget request totals \$157.9 million in discretionary spending, a decrease of \$82.6 million from the 2016 enacted, and that is because of the one-time \$90 million pilot project for grants to three Appalachian states for the reclamation of AML sites in conjunction with economic and community development. We believe our 2017 proposal more than offsets that with the \$1 billion legislative proposal to promote reclamation of abandoned mine lands, to accelerate the disbursement of that money out of the AML fund.

I again, commend Chairman Rogers and everyone who has joined him in sponsoring the RECLAIM Act. I think that is a very good

step in the direction to help these communities that need assistance. And more importantly, we have their money.

The discretionary budget provides full funding for the State and Tribal regulatory grants. It enables OSMRE to address existing legal obligations and demands, such as technical assistance to the States and tribes to help them do their jobs, to meet increased NEPA workload requirements for environmental assessments and environmental impact statements for mine plans and that area of evolving law, and to process State program amendments. It also invests in technology for the future. It proposes to expand the coal mine geographic information system and to enhance digitization of underground mine maps in order to protect miners and the public from the dangers of the abandoned underground coal mines.

We propose to expand reforestation of our former mine lands to create job opportunities for our youth. We know that we have well in excess of 1 million acres of ground across the country that had been formerly forested, but it is basically grassland since mining and reclamation.

On the abandoned mines, we propose \$914.4 million in permanent appropriations. Of that is the \$200 million a year that we propose to accelerate from the disbursement of the AML fund for power & projects. We propose funding the United Mine Workers of America Health and Benefit Trust Funds and for the 1974 pension plans for a total of \$540.1 million, which includes the \$375.4 million for the new proposal. That will provide healthcare for people who are losing their healthcare because of various bankruptcies in the coal industry. It will provide funding to OSMRE to provide to the Pension Benefit Guaranty Trust Corporation to shore up the 1974 pension plan, which is on the verge of insolvency and where the median retirement benefit is \$270 a month.

On this proposal and the legislative proposal to revitalize our communities for accelerating that disbursement, again I look forward to working with Chairman Rogers and every Member of Congress to accelerate the disbursement of that money out of the fund.

There are also three other proposed changes to the current law. One would eliminate the payments to certified States and Tribes. Those are States and Tribes that have certified they have completed the reclamation of all of their abandoned coal mines. That is projected to save about \$520 million over the next 10 years.

There is a legislative proposal to restore the reclamation fee to the original levels from 1977, and that would generate about \$49 million additional in 2017 that would go to the States in 2018 to reclaim high-priority abandoned coal mine sites.

And there is a proposal to establish a hard rock AML program with a fee so the industry's problems that were created prior to the regulation of mining can be addressed, as the coal industry is planning to clean up the legacy that it had created.

Finally, on February 4th, Chairman Rogers, Chairman Calvert, and others sent a letter to the Secretary raising some questions regarding the Stream Protection Rule, and in regards to those questions, the number one was "What is OSMRE's plan and schedule for providing the information to the States?"

We have been collecting the reference documents from the proposed rule, and beginning on Monday, we started to upload those

to regulations.gov to make them available to the States who have requested information and anybody else, for that matter.

Earlier this week, we sent a letter to 16 different States providing those details. We are not uploading the copyrighted material because, by law, if we were to make that available or copy it, we would be violating the copyright law. What we have provided are explanations and guidance to the States on how they can access those copyrighted materials, as well as working with them to provide those copyrighted materials in a way we can. We have offered the services of our librarian in that regard.

On the second question, it was "What is the manner we plan to accommodate State requests for meeting?" As I indicated, to date we have had, I think, 16 requests from the States to meet.

In my response to the States that went out earlier this week, we have proposed to schedule time at the upcoming Interstate Mining Compact Commission in mid April for the States and OSMRE to meet. We believe it is the most efficient way for everybody to get together. It will allow all the States who are planning on being there to have the benefit of having that meeting with us without any additional cost or expense.

And the third question was "How will the results of the meeting be incorporated into the administrative record?" Our plan is to prepare a summary or summaries of that and have it included in the administrative record that we are producing for that rule.

With that, Mr. Chairman, the last point is I thank you again for the opportunity to be here today. My full statement has been provided for the record, and at this point, I am available for questions.

[The statement of Director Pizarchik follows:]

STATEMENT OF
JOSEPH G. PIZARCHIK, DIRECTOR
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
U.S. DEPARTMENT OF THE INTERIOR

BEFORE THE

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
U.S. HOUSE OF REPRESENTATIVES

ON THE
FISCAL YEAR 2017 BUDGET REQUEST

MARCH 3, 2016

Mr. Chairman and Members of the Subcommittee, thank you for inviting me to testify on the Fiscal Year 2017 budget request for the Office of Surface Mining Reclamation and Enforcement (OSMRE).

This is a responsible budget request that maintains core capabilities for the protection, preservation, and restoration of mined lands; restoration of lands left unreclaimed; and technical assistance and training to States and Tribes. The budget proposes targeted investments to advance the application of technology in the implementation of the Surface Mining Control and Reclamation Act of 1977 (SMCRA) and create youth employment opportunities, and legislative proposals to improve coal country communities, provide for economic development, and protect retired coal miners and their families.

The SMCRA established OSMRE for two primary purposes: first, to assure that the Nation's coal mines operate in a manner that protects citizens and the environment during mining operations and restores the land to productive use following mining; and second, to implement an Abandoned Mine Lands (AML) program to address the hazards and environmental degradation remaining from two centuries of loosely regulated mining. These tasks are vital to public health and safety, and the environmental well-being of the United States.

The SMCRA strikes a balance between the protection of the environment and the need for energy. Nearly 39 years after the passage of SMCRA, coal remains an important fuel source for our country, generating about 34 percent of our Nation's electricity. While new energy sources have been developed, conventional coal production is still a significant contributor to the Nation's energy requirements. In order to ensure that coal is produced in an environmentally responsible way, OSMRE is committed to carrying out the requirements of SMCRA in cooperation with States and Tribes.

Currently, 24 States have approved regulatory programs in place pursuant to Title V of SMCRA. There are 25 States and 3 Tribes that administer approved AML programs pursuant to Title IV of SMCRA. The major tasks for OSMRE are to ensure that States and Tribes successfully address coal mining activities by ensuring they have high-quality regulatory and AML frameworks and to oversee implementation of their programs. Of the 28 States and Tribes that administer approved AML programs, 50 percent have 25 or fewer employees. Importantly, OSMRE provides technical assistance, funding, training, and technical tools to the States and Tribes to support their regulatory and reclamation programs.

Since enactment of SMCRA in 1977, OSMRE has provided reclamation grants to States and Tribes to clean up mine sites abandoned before passage of SMCRA. In the course of addressing health, safety, and environmental problems, over 380,000 acres of high priority abandoned coal mine sites have been reclaimed under OSMRE's AML Program, including problem types and units of 3,443,188 feet of dangerous highwalls; 19,547 acres of clogged stream lands; 13,068 acres of dangerous piles and embankments; 12,128 portals; and 6,761 vertical openings. Many sites still remain unfunded.

Fiscal Year 2017 Budget Request Overview

The FY 2017 budget request for OSMRE totals \$157.9 million in discretionary spending and supports 515 equivalent full-time positions. Compared with the 2016 enacted level of \$240.6 million, this represents a net decrease of \$82.6 million. The decrease is a result of a one-time \$90 million increase in FY 2016 discretionary appropriations which OSMRE received for grants to three States (KY, PA, WV) for the reclamation of AML sites in conjunction with economic and community development activities. The FY 2017 request includes a broader legislative proposal to promote reclamation and economic development that benefits all States and Tribes with AML programs.

The budget includes resources to fund Federal, State, and Tribal programs that permit and regulate domestic coal production and reclamation of abandoned coal mined lands to eliminate public health dangers and restore the environment; and to oversee and evaluate regulatory and reclamation programs and provide technical training and assistance.

Investments are requested for science and technology to build a landscape-level understanding of our resources and provide for science-based decision-making; to provide for dedicated staff and youth opportunities in reforestation coal mined lands; and to support preparation and review of documents in accordance with the National Environmental Policy Act (NEPA).

OSMRE's budget also contains an estimated \$914.4 million in mandatory funding. This spending includes \$174.3 million for reclamation grants to non-certified States and Tribes (those with remaining abandoned coal mine problems) from the Abandoned Mine Reclamation Fund; and \$164.7 million for three health care plans that are part of the

United Mine Workers of America (UMWA) Health and Retirement Funds for specified health benefits to miners and their families.

As part of the President's POWER+ Plan, an additional \$200 million for reclamation grants and \$375.4 million for health care and pension plans within the UMWA Health and Retirement Funds is also requested. These proposals require legislative changes and will create new economic development opportunities and new jobs in communities impacted by coal abandoned mine lands, and strengthen the health and retirement security of coal miners and their families.

Current Appropriations

Regulation and Technology Appropriation

The OSMRE's overall FY 2017 budget request includes \$127.6 million for the Regulation and Technology appropriation, \$4.3 million above the 2016 enacted level. This includes funding for fixed costs for pay and other items, and funding for program monitoring and support services. The request of \$65.5 million for State and Tribal regulatory grants is \$3.1 million less than the 2016 enacted level and is expected to fully fund those programs based on the annual return of at least \$3 million in appropriated funds at the end of the grant cycles. A reduction in OSMRE's budget of \$1.9 million is proposed in anticipation of offsetting collections for processing coal mine permit applications and renewals, and related work performed as a service to the coal industry. For Federal Programs where OSMRE is the regulatory authority for coal mining operations, OSMRE is finalizing a new structure for recovering more of the costs to review, administer, and enforce permits for coal mining.

The request includes programmatic increases which support improvements and investments in technology to implement SMCRA and support State and Tribal programs. These include: \$2.3 million for technical assistance to States, Tribes, and OSMRE programs; \$2.5 million for expansion of the GeoMine Project (a coal mining geographic information system) to share data among States, governments, industry and the public to provide for more efficient and effective decisions; \$1.2 million for funding to provide to States and universities for technical studies specific to coal mining activities; and \$1 million to expand reforestation of reclaimed coal mine sites and provide opportunities for youth engagement. In addition, the request includes increases of \$1.8 million for additional program staff to support improvements in the implementation of existing laws and assistance to States and Tribes; and \$1 million for NEPA compliance documentation support.

The remaining portion of the request for the Regulation and Technology account provides funding for OSMRE's regulatory operations on Federal and Indian lands, evaluation and oversight of State regulatory programs, technical training, solicitor support, and other technical assistance to the States and Tribes as well as administrative and executive activities.

Abandoned Mine Reclamation Fund Appropriation

The request includes \$30.4 million for the AML appropriation, which is \$86.9 million below the 2016 enacted level. The budget supports OSMRE's program evaluations and reclamation operations, watershed cooperative agreement projects, fee compliance and audits, technical training and other technical assistance to the States and Tribes as well as administrative and executive activities. A \$90.0 million decrease is due to a shift from the limited pilot project for reclamation and economic development enacted in FY 2016 to the broader proposal for economic and community development activities under the Administration's POWER+ Plan. Increases are proposed for \$1.5 million for technical assistance to States, Tribes, and OSMRE programs; \$0.5 million for funding to provide to States and universities for technical studies specific to coal mining activities; and \$0.8 million to enhance the mine map repository for digitizing underground mine maps.

The remaining portion of the request for this account provides funding for OSMRE's Federal reclamation operations, evaluation and oversight of State reclamation programs, cooperative agreement funds to watershed public interest groups, technical training, solicitor support, and other technical assistance to the States and Tribes, reclamation fee collection and audits, and other administrative and executive activities.

Legislative Proposals

The budget request includes proposals to improve major components of the AML program to accelerate the completion of priority abandoned coal problems, create jobs, and revitalize communities impacted by this legacy of historic mining practices by increasing total funding available to the States for the reclamation of abandoned mines. In addition to proposals to strengthen the AML Program, the budget includes a proposal to provide security for retired coal miners and their families who are at risk of losing their health and pension benefits.

The first legislative proposal supports reclamation and economic and community development nationwide under the Administration's POWER+ Plan. This proposal will accelerate the disbursement to States and Tribes of \$1 billion dollars, over 5 years, from unappropriated balances in the Abandoned Mine Reclamation Fund to create new economic development opportunities and new jobs in communities impacted by abandoned coal mine lands and recent adverse job impacts. This accelerated AML funding will be used by States and Tribes for the reclamation of abandoned coal mine land sites and associated polluted waters in a manner that promotes economic diversification and development in economically distressed coal country communities.

As part of the Power+ Plan, the Administration proposes to provide security for retired coal miners and their families by revising the formula for general fund transfers to the 1993 UMWA Health Benefits Plan. All beneficiaries enrolled in the Plan as of enactment of the proposal will be covered, as well as those retirees whose health benefits were denied or reduced as the result of a bituminous coal industry bankruptcy proceeding commenced in 2012. Additionally, the proposal will transfer funds through the Pension

Benefit Guaranty Corporation to the trustees of the 1974 UMW Pension Plan and Trust (1974 Pension Plan) to protect the 1974 Pension Plan's long-term solvency. The 1974 Pension Plan, which covers more than 100,000 mineworkers, is underfunded and approaching insolvency. The new formula will provide an additional \$375.4 million to these health and pension plans within the UMW Health and Retirement Funds in 2017.

The second Administration proposal is to end the current permanent appropriation payments to States and Tribes that certified to the Federal government they have finished restoring their abandoned coal mines, eliminating payments of \$61 million in 2017 and saving the taxpayer \$520 million over the next ten years. Presently, these payments can be used for any purpose and therefore may not, necessarily, contribute to the goal of addressing abandoned mine hazards.

The third legislative proposal is to restore coal reclamation fees to the 1977 levels which were in effect until the 2006 amendments to SMCRA reduced the fees. This proposal will return the reclamation fees to historic levels and generate an additional \$49 million in 2017 that will be used by States to reclaim priority abandoned mine sites and address more of the remaining \$6 billion in high priority AML sites nationwide.

Fourth, the budget includes a legislative proposal to build on the successes of the coal AML program to create a parallel program for hardrock AML reclamation. Similar to the coal industry, the hardrock industry has left a legacy of abandoned mine sites that create health, safety, and environmental hazards. Currently, no hardrock reclamation fee exists that provides revenue to a dedicated hardrock reclamation fund, which leaves States, Tribes, and Federal land managers to address these sites as part of their general revenue budgets or with funds from the coal AML Fund when possible. The coal industry should not be paying to clean up the abandoned mine problems created by the hardrock mining industry.

Conclusion

Thank you for the opportunity to appear before the Committee today and testify on OSMRE's FY 2017 budget request.

**Joseph Pizarchik, Director
Office of Surface Mining Reclamation and Enforcement
U.S. Department of the Interior**

Joseph Pizarchik is the 10th Director of the U.S. Department of the Interior's Office of Surface Mining Reclamation and Enforcement (OSMRE).

Prior to joining OSMRE, Mr. Pizarchik served more than 17 years with the Pennsylvania Department of Environmental Protection (PADEP), rising to Assistant Director in the Bureau of Regulatory Counsel before his appointment as Director of the Bureau of Mining and Reclamation. While at PADEP, he co-authored Pennsylvania's Environmental Good Samaritan Act, helped develop Pennsylvania's program for volunteers to clean up abandoned coal refuse sites and provided key legal support in the development of Pennsylvania's program for mine operators to establish trust funds to meet their financial obligation to perpetually treat the discharges caused by their mining. Mr. Pizarchik is also credited with helping clear the way for the sale of private mining property to the Families of Flight 93 to enable the construction of the memorial.

Mr. Pizarchik began his public service working as legal counsel with the Pennsylvania Department of Transportation, dealing with contracts, mass transit, aviation, contractor qualifications, and minority business enterprises. Mr. Pizarchik earned a B.A. from the Pennsylvania State University and a law degree from the University of Arkansas at Little Rock School of Law. In 2010 he was named a Penn State Alumni Fellow and in 2011 he was named Distinguished Alumnus of Penn State Altoona.

**Glenda H. Owens, Deputy Director
Office of Surface Mining Reclamation and Enforcement
U.S. Department of the Interior**

Glenda H. Owens is the Deputy Director of the Office of Surface Mining Reclamation and Enforcement (OSMRE). As Deputy Director, Ms. Owens works with the Director to provide executive leadership and direction for the implementation of the requirements of the Surface Mining Control and Reclamation Act of 1977.

Under the Surface Mining Act, OSMRE is responsible for working cooperatively with 24 coal-producing states to ensure coal mining and reclamation activities are conducted in an environmentally sound manner that protects citizens and the environment during mining, and to mitigate the effects of past mining through the reclamation of abandoned mines.

As Deputy Director of OSMRE, Ms. Owens oversees the bureau's operational activities, ensuring that it meets the requirements established for federal agencies by the Office of Management and Budget and the Office of Personnel Management, among other things. Ms. Owens also serves as OSMRE's Chief Financial Officer and is responsible for ensuring the bureau's compliance with the Chief Financial Officers' Act and other financial and business management requirements. Ms. Owens is a member of Interior's Deputies Operating Group, an executive-level body, which focuses on management efficiency and effectiveness of the Department.

Ms. Owens has served twice as the Acting Director for OSMRE - from January 2001 until February 2002, and again from January 2009 until November 2010.

Prior to joining OSMRE, Ms. Owens was an Assistant Solicitor in the Interior Department's Solicitor's Office, Division of Mineral Resources. As the Assistant Solicitor for the Division of Mineral Resources, she headed up a legal staff responsible for providing legal services to bureau and departmental officials. She also supervised defensive litigation under the Surface Mining Control and Reclamation Act of 1977.

Ms. Owens has a Bachelor of Arts degree from the University of Michigan and a Juris Doctorate from the Howard University School of Law.

Ruth E. Stokes
Office of Surface Mining Reclamation and Enforcement
U.S. Department of the Interior

Ruth Stokes has been the Budget Officer and Chief, Office of Planning, Analysis and Budget for the Office of Surface Mining Reclamation and Enforcement (OSMRE) for the past thirteen years. Prior to that, she worked for OSMRE in Washington, D.C., providing support for the review of regulatory and reclamation policy and guidance, planning, and program evaluation specific to the Surface Mining Control and Reclamation Act. Ms. Stokes has a Bachelor of Arts degree in Business and Economics from Towson State University, and a Masters degree in Business, Economics and Public Policy from George Washington University.

STREAM PROTECTION RULE

Mr. CALVERT. Thank you for your testimony.

Yesterday, we had the Secretary testify, as you know, and she committed at this table that the department would fully comply with the stream buffer directives in the fiscal year 2016 Omnibus Appropriations Bill. There were multiple opportunities for the Secretary to inform Chairman Rogers and this Committee that you sent letters to the States this week outlining what information is publicly available and where the States may find it if they look in the right places.

Unfortunately, we were not told until after the hearing, and it is not clear as to whether that decision was strategic or circumstantial. Regardless, it casts a cloud on what would have been a good faith effort to begin to repair a 5-year dysfunctional relationship with the States and finally work with them as partners. Instead, it appears to be business as usual for those who have been working on this issue day in and day out.

Further, as my good friend Ms. McCollum can attest, there are times when the laws enacted by Congress may require some clarification, especially when there is give and take on both sides to reach an agreement. That happens, and we are always happy to provide clarification of the offices under our jurisdiction so we are all on the same page.

To quickly review how fiscal year 2016 transpired, the Committee directive to OSM started as a directive to stand down on the Stream Buffer Rule because OSM failed to work with the States as cooperating agencies. For years, OSM has broken its word to the States.

Where Chairman Rogers and I come from, you are only as good as your word. And that means something. We are kind of old school in that regard. OSM had broken the trust of its State partners, and States with both Democratic and Republican leadership withdrew from the process as their voices were repeatedly ignored.

The common denominator was OSM. In order to put a final appropriations package together for fiscal year 2016, the Congress, the White House, the House, the Senate, and the Committee as a whole had to agree on how to resolve this issue. While there may have been some disagreement on the initial approach, the Committee as a whole agreed that OSM needed to reengage with the States as partners in this process.

So, Director, in order to avoid any confusion, any ambiguity, or any alternate interpretation of the Committee's direction or intent, Chairman Rogers and I and my fellow Committee members fully expect you to work with the States as cooperating agencies, as you have collectively agreed in 2010.

The source documents you have, they will now have, not Web links and not an address of a library where they may obtain the information. The analysis you have, they will have. The conclusions you reach, they need to agree with. Equally, the conclusions they reach, you need to agree with.

Otherwise, there isn't going to be a rule. For 5 years, OSM's work on this rulemaking has been proven to be a one-way street.

That is over. The Congress and the Administration have agreed that you collectively need to work together.

I trust that your letters to the States this week serve as the first step in the process of information sharing, and April 18th will be the first of many meetings with the States in order to foster a substantial dialogue and exchange of ideas. But I need to verify that.

Can you please do so for the committee? Can you please verify for us that the letters this week are the first step to reengage in a meaningful partnership with the States, including the first exchange of data and the first of many meetings?

I don't want our first exchange at this table to be one where I find you in violation of a directive of this committee.

Mr. PIZARCHIK. Thank you, Mr. Chairman.

We have provided documents and made them available beginning last summer when we published the proposed rule. In October, we have also extended an invitation for the States to reengage on the preparation of the EIS, and we have had at least 15 meetings with various States on comments that they have provided during the comment period to get more clarification on that. Assistant Secretary Schneider has visited Alaska and is planning on visiting North Dakota as well.

The letter that I sent out yesterday is another step in our process to reengage the States. The States were involved in the beginning of the process. They provided many substantive comments. Their comments were very helpful in fashioning the final EIS, and we again extended the offer to meet with them.

We did it in October. We did it again yesterday. We will continue to attempt to engage with the States and to work with them to get their input.

Mr. CALVERT. And they want to work with you. They have made it very clear that they want a meaningful partnership, and so are you committing that you are going to work with the States and have a number of meetings and exchange information with them?

Mr. PIZARCHIK. We have already extended that invitation back in October, and again, the one I sent out yesterday is to the 16 States that have requested. But we are willing to meet with any of those States because of that special relationship that we have between my Agency and the States as the primary regulators.

We will meet with them. If they want to meet before then, fine. But we are attempting to get their input and to reengage them in it. Right now, I have made the offer, and yesterday I spoke with Greg Conrad, the Executive Director of the Interstate Mining Compact Commission, and he indicated to me that he would be talking with his members to see what their response would be.

We have made the offer. We made the offer in October. We made the offer again, and they will have to accept for us to have a meaningful exchange. You know, I can only keep offering, but I can't have a meaningful exchange if they choose not to meet with me.

Mr. CALVERT. Well, I am sure we will be hearing from the States to determine what they think.

Ms. McCollum.

Ms. MCCOLLUM. Not at this time, Mr. Chairman.

Mr. CALVERT. Mr. Jenkins.

SPENDING ON THE STREAM PROTECTION RULE

Mr. JENKINS. Thank you. Thank you, Mr. Chairman.
Director, thanks for being here.

The question came up yesterday. The Secretary was asked how much money had been spent on the Stream Protection Rule. I assume over the last 24 hours you all have had a chance to nail down that number, and hopefully, you are prepared to tell us how much has been spent on the Stream Protection Rule over these last 5, 6, 7, years?

Mr. PIZARCHIK. Thank you, Congressman Jenkins.

Yes, we have been tracking that. There has been interest in it. And we have spent approximately \$6.5 million for contract support on preparing the rule with the draft environmental impact statement and the regulatory impact analysis, and then we also have spent \$4.1 million for our staff time working on documents, attending public hearings, responding to comments, meeting with the States, et cetera.

Mr. JENKINS. So, the total amount spent in its entirety from its initiation many years ago, OSM has spent \$10.5 million?

Mr. PIZARCHIK. Actually, I think it is about \$10.6 million.

STREAM PROTECTION RULE—INFORMATION TO THE STATES

Mr. JENKINS. Now, back to the issue that the Chairman raised. I want to point out the operative words in the language that, again, the Secretary yesterday said the Department would fully comply with. Those are, as the Chair said reengage, meaningful manner, before finalization. Reengage, meaningful, and before finalization. I really want there to be emphasis on each of those as we move forward.

The States received this March 1st letter from your office, and I have listened to your testimony carefully, and I have listened to your answers to the Chairman's questions. I think, clearly, you are not satisfying the first two and, hopefully, not the third piece of this.

Number one, the idea that you would send just a letter and then simply include over 100 pages of bibliography. Then putting it in the laps of the States to say here is a conference or here is a document or here is a book or here is a study, and if you want to go out and check it out, fine. What we said is OSM is directed to provide the States with all technical reports, et cetera.

So my question to you is do you believe, based on this letter, based on what has already been uploaded, and based on what you say will continue to be uploaded, do you think you have complied with the directives of providing all of the data and reports? Is all you are going to do is post things, or are you going to be packaging up the items that we have asked for, and actually send them to the States?

Mr. PIZARCHIK. Congressman Jenkins, we had a number of requests that came in from the States. And I believe, if I remember correctly, a number of them asked for us to provide a list first, and then they would decide which ones they wanted copies of.

We have gone beyond that by uploading things to the regulations.gov site so they have access to it. We had heard some con-

cerns that perhaps some of the Web sites or links that were referenced in the published documents were not working. We have taken steps to make sure they have access available to all of those.

I am not sure that the States would have appreciated having huge volumes of written materials submitted to them. We are giving them the opportunity, pursuant to a request, to look at what it is they want, and we are working with them to try to give them access in a reasonable manner so that they have the opportunity to look at these.

Mr. JENKINS. Well, I will be satisfied if what you are describing is that you are allowing the States to decide how best they would like to review everything. I think I just heard you say if West Virginia, for example, my State, requested all of the material pursuant to this in writing, in document form, you would provide that?

AVAILABILITY OF COPYRIGHTED MATERIAL

Mr. PIZARCHIK. We have it already provided and up on the Web site or on the plate where every document that is not subject to copyright is available for them.

Mr. CALVERT. If the gentleman would yield on that point? When you say something that is not subject to copyright, if the United States Government enters into an agreement with a contractor to provide a technical report, who is it owned by? The author of that report or by the United States, who paid for that report?

Mr. PIZARCHIK. I believe if you are talking about the report itself that was prepared by the contractor, I think that would be owned by the Government.

Mr. CALVERT. I just want to clarify that. Then a report that is done on behalf of the United States Government is owned by the Government, and I don't believe that would be subject to any copyright rule.

Mr. PIZARCHIK. I am not a copyright expert on that. I will defer to your judgment on that. But my understanding is that is not what we are talking about. Some of the report that we prepared references a variety of studies and reports. Some of those documents were subject to copyright.

Mr. CALVERT. If those reports are being used to create a conclusion in order—which we are talking about, then those reports should be made public and made part of the information to provide it to the States.

Mr. PIZARCHIK. Mr. Chairman, all I can say is in discussing this with our lawyers, my understanding is if we were to take copyrighted material and make copies of it and distribute it to folks, that we would be violating copyright laws.

Mr. CALVERT. I find that——

Mr. PIZARCHIK. And I don't think anybody wants us to do that. I know I certainly don't want to be doing that.

Ms. MCCOLLUM. Mr. Chairman, maybe we should ask CRS, which has a Copyright Division, to get back to this Committee on that? Would that be helpful to all of us?

Mr. CALVERT. Yes. I would like to find that out specifically.

Ms. MCCOLLUM. Let us direct the committee staff to find that out then for us. Thank you, Mr. Chairman.

Mr. CALVERT. If it is information that potentially is being withheld, we need to know that. Yes, thank you.

Mr. JENKINS. In your testimony, you said one of the reasons you were pursuing this course is that you didn't think the States "would appreciate" just sending a lot of material. What that tells me is that you would be willing, if they did appreciate you sending all of the materials, that you would do so.

So don't suggest you thought what they would appreciate and then turn around and say but even if they do want it, we are not going to do it.

STREAM PROTECTION RULE—MEETING WITH STATES

My next question is the issue of SPR meetings. Part of the fundamental operation of this directive is the fact that each State is unique, when you go back 30 years and look at why this process was formed in the first place. I hear you talking about a process, and I want to try to be very clear.

With regard to your offer of having a group meeting, once the States have had a chance over these next weeks and months to view 100 pages of bibliography in whatever form they can ultimately get the documents in, each State is going to want to sit with you and have a discussion and talk about the implications for their State. Can you reassure me that it is not the position of OSM that the meeting on this particular date that you have suggested in April satisfies the meeting request requirement of the congressional directive?

And then if my State of West Virginia wants to reengage—which they have already sent you a letter that they do—and wants to meet after looking at this in April or May or June, that you will afford them the individual opportunity and that you will not just check the box for the meeting requirement at the April meeting?

Mr. PIZARCHIK. Thank you for that question. We received your State's request I believe yesterday and responded to it. And at this point, we have the invitation out to the States to meet. We are waiting for them to respond.

I am still waiting for the States like your State and other States to respond to the invitation I sent in October to reengage. None of them have responded to that. And at this point, you know, we are making our effort to do that, and I apologize for making an assumption on what maybe the States were thinking.

We have made all the documents or are making all the documents available that are not subject to copyright so they have access to those and they have the opportunity to look at those documents themselves and to evaluate which ones they want to review.

Mr. JENKINS. Let us go back to the meeting. I hear that we have addressed the document. If, after a thorough examination of these documents, our State wants to sit down with OSM at an appropriate time, one on one, reengage with our State, whether that be in April or May or June, to have a substantive discussion, are you willing to do that?

And I just want to make sure that you do not think that you can check the meeting requirement box based on this proposed April meeting.

Mr. PIZARCHIK. Mr. Congressman, in regards to meeting with folks from your State, we had the invitation back in October. We met with them. My Deputy Director and Assistant Secretary met with them. I believe it was in February.

Mr. JENKINS. But the states didn't have these documents back then. We didn't have all the things that you are still loading. I understand this needs to be a process. We put it in the requirement in the law. You are still uploading it. Even by your own admission, the documents are not all up yet.

You have over 100 pages of bibliographical references. If you are really sincere about reengaging and working together, give us time to work through the documents, analyze, study them, and then sit down with you and talk about the implications to our State. Would you do that?

Mr. PIZARCHIK. Congressman, many of those documents have been available to the States since July.

Mr. JENKINS. But not all. Have all of them?

Mr. PIZARCHIK. Not all, and they will be.

Mr. JENKINS. Not all of them. Then give us time. Give us time.

Mr. PIZARCHIK. And we are doing that. We have—they are being uploaded. They might even already be done today. I haven't checked this morning with the staff on that, but those ones that are being uploaded—

Mr. JENKINS. I have got one more question, Mr. Chair. Clearly, you can't bring yourself to say we are going to give you a chance to look at all the documents, and give the states a chance to sit down with you individually and talk about it. You keep talking about what is already up or what OSM is still putting up.

So I will follow up with you, but my clear belief is the requirement in the law that Secretary Jewell says you will comply with is to reengage, provide all the material, and meet with the States individually before finalization.

I was very concerned during your testimony when I heard that you would provide a summary of the engagement from the States. What I expect is that the product where States work with you—in whatever form or fashion—that the individual State's comments are submitted for the administrative rulemaking record. Further, you should give substantive responses just like a normal comment period.

Can you assure me that all the States' input, each and every State, will be conveyed individually and not in summary format? I am reacting to when you said "prepare summaries and put it in the administrative record." That clearly does not meet with our expectations.

Will you assure us that it will not be just simply summaries, and that you will allow for specific input of the comments and then the feedback from each and every State into the administrative record?

TIMING OF THE STREAM PROTECTION RULE

Mr. PIZARCHIK. Congressman Jenkins, as I understand your request, basically, you are asking us to reopen the comment period, and unfortunately, no, we are not going to reopen the comment period. The comment period was open back last summer. We extended it. We had the documents available for the States.

Beginning earlier this year, we got some of the requests in. So we are making all those documents available, and the links may not have worked on that. We will meet with the States. We will obtain their input. But we are not going to reopen the comment period, and we are going to get this rule done.

Mr. JENKINS. Well, when will the rule be done?

Mr. PIZARCHIK. Our hope is to have it done this summer.

Mr. JENKINS. Do you know what the date is?

Mr. PIZARCHIK. I do not. I have learned many times in this process that it is not possible for me to predict when a rule will be proposed or finalized on that. There are too many steps in the process outside of my control.

Mr. JENKINS. Thank you, Mr. Chairman.

Mr. CALVERT. Mr. Joyce.

ECONOMIC IMPACTS OF THE STREAM PROTECTION RULE

Mr. JOYCE. Thank you, Mr. Chairman.

Director Pizarchik, certainly you recognize that the imposition of the proposed Stream Protection Rule has the potential impact and regulatory cost that will force thousands of miners in Ohio to lose their jobs and companies to go bankrupt. What are your plans to cope with the significant reclamation liability that will be realized as a result of excessive mine defaults?

Mr. PIZARCHIK. Mr. Congressman, I would have to disagree with your assessment. The Stream Protection Rule is only proposed. It has not caused any bankruptcies. It has not caused any job losses. It is not in effect yet. We are still working on consideration of the comments that we have received on the proposed rule, and we will be making changes as appropriate in response to the comments that have come in on that.

Mr. JOYCE. None of these companies are going to come back into existence.

Mr. PIZARCHIK. I believe that if they have gone out of business, there are other forces that are at play. There are market forces, cheap shale gas. Cheap, plentiful shale gas is taking market share away from coal. You have the economic downturn around the world. You have the Chinese economy slowing down. Their imports are dropping on that. They have been overproducing coal.

This rule has not had any impacts on the industry. This rule isn't even final yet. So from the standpoint of any impacts or job losses on that, that is not here.

And then with the analysis that we have completed that was peer reviewed by outside experts, our calculations are that what was proposed, at most, would be about a wash. It would be about 270-some jobs that would be lost over a 21-year period, with about 250 or 260 new jobs created over that same 21-year period.

This rule does not have and will not have significant adverse impacts on employment.

Mr. JOYCE. That is interesting.

Mr. CALVERT. Will the gentleman yield for a second? Are you saying that this regulation, as you interpret it, has no impact on employment in coal country?

Mr. PIZARCHIK. No.

Mr. CALVERT. Just for the record, we would like to have that.

Mr. PIZARCHIK. What I have said is that based on the assessments that have been performed.

Mr. CALVERT. And you agree with those assessments?

Mr. PIZARCHIK. We hired outside experts to perform that analysis because we believe that it would be more credible with the public and everybody else if those assessments were performed by outside experts.

Mr. CALVERT. But you agree with those assessments?

Mr. PIZARCHIK. Those assessments are in the draft regulatory impact analysis, et cetera. And from the standpoint that was proposed and the whole purpose of the rulemaking and the proposed process is to get comments on that, that will be factored into it. We will see what changes are appropriate to be made based on public input.

Mr. CALVERT. I will take that you agree with those assessments, and obviously—

Mr. PIZARCHIK. I do not disavow them.

Mr. CALVERT [continuing]. The industry, when they anticipate a regulatory cost, they must be wrong about that because, based upon your assessment, there is no cost.

Mr. Joyce.

BASELINE DATA REQUIREMENTS

Mr. JOYCE. How will the primacy State regulatory agencies be able to cope with the added responsibilities and authorities being proposed in the Stream Protection Rule? It seems obvious that the cost in time and money to the States and the miners will be increased as a result of the SPR. How would this not be the case?

Mr. PIZARCHIK. The way the States can adjust to that is they have an option under the rules. They can either gather the baseline data to determine what types of resources are in the streams out there prior to mining, do the monitoring, et cetera, and then ensure that the streams are restored after the mining.

A mining company has the option to choose whether they want to mine through the stream or the States can give literal interpretation to their existing rules and not allow the streams to be eliminated through mining or being buried. And if they do that, that is a less effort on their part. They won't have to gather as much baseline data. They won't have to get into some of the other new standards that are designed to protect streams.

And let us face it, the law has always had a provision in it that prohibits permits from being issued where it is not possible to restore the land to its original conditions and productivity. And land without water or land with polluted water does not meet those requirements.

What we are proposing is to gather the appropriate information so that we know what is in these streams before mining, the water quality, the critters that are living in it, and so we can measure whether the mining reclamation is successful or not. And in some areas I am sure that mining will be able to be restored, and other areas I am sure that they cannot get a permit and should never have gotten a permit to do that mining because it does not comply with the Federal legal requirements.

Mr. JOYCE. That is why you feel it is necessary to be involved in stream biology?

Mr. PIZARCHIK. The stream biology is a good indicator of what is happening in the stream. If the critters can live in the stream prior to mining and during mining and after the mining, then we have been successful in the mining reclamation. If the critters living in the stream were there before mining, but during mining they get wiped out, and after mining, they are wiped out, then obviously there was a failure to comply with the regulatory and the statutory legal requirements governing coal mining reclamation.

Mr. JOYCE. I have exceeded my time, I know, Mr. Chairman. Thank you.

Mr. CALVERT. Ms. McCollum.

PROTECTION OF WATER RESOURCES

Ms. MCCOLLUM. Thank you, Mr. Chairman.

I have been part of this discussion for a while now, and there is a lot of tension and conflict surrounding the Stream Protection Rule. But the basic part of this rule is to protect water resources.

And as we sit around the table, we don't place a value on water until it is gone or we can't drink it—Flint, the drought in California, some of the other places where water crises have happened around the country. Then all of a sudden, water has a value.

Water has a value then because, whether it is for agriculture sustaining us through food or whether it is sustaining us through drinking water, then we start talking about water as a right. And I believe access to clean drinking water is a human right.

Therefore, we have a responsibility to make sure that we work with industry, that we work with States, that we work with local units of government to protect the ability for all of us in this country to have the right to clean drinking water, the right to have water available for agriculture, the right to have water available for recreation and for fishing, or for the health of the fishing industry.

I believe that right to clean water is at the heart of this rule, and I know that there is tension on how we get there. But if we don't assess that water does have a value to begin with, it is very easy to discount this gift that has been given us that is life sustaining.

I know all of us around the table want to get to the point where we find that balance, and it is hard to find it sometimes. We must find that balance where industry can move forward, agriculture can move forward, recreation can move forward. But the bottom line is, future generations will judge us on how we protected this basic life source of water.

The tension is natural, but we have to remember when we start this equation we don't have a dollar value on water when we talk about it. It is only when it is gone or it is so polluted that we can't use it that all of a sudden we say, "What happened to the water?"

Could you tell me a little bit more about the goals and the objectives just for public health—forget the recreation for now—that you are trying to accomplish?

Mr. PIZARCHIK. One of the primary purposes of the rule and the standards is to establish what kind of water is out there to begin with. And our law has always prohibited causing material damage

to the hydrologic balance outside the permit area. That is a mouthful. But we have never defined that.

We are proposing to define that based on the existing conditions that are out there and to gather the baseline data to prevent those water resources from being polluted, and protect people's health. We know that in some areas selenium can be mobilized by mining. It bioaccumulates. It causes reproductive problems in the aquatic community, and it can cause health problems at too high levels in people. And if people are drinking that water or eating those fish that have high levels of selenium, it can have adverse impacts.

There are also any number of studies that purport to show that there are adverse health effects near where there is extensive coal mining going on. We need to get answers to these questions in order to make sure that the people there are not being accidentally poisoned or to assure people that there is no danger. Whichever the case is, we have to get to the bottom of that.

But protecting the water, taking the measures and requiring identification of what is there and to prevent the mining from causing pollution that causes those kind of water problems is the first step. And we feel that if you protect the most sensitive critters that are living in those streams, that you are going to be protecting the water so that the people who live in those communities are protected as well.

Ms. MCCOLLUM. Thank you, Mr. Chair. And Mr. Chair, we found out taconite tailings in our State, from mining, caused cancer, and we had to go through a very extensive process.

So I am actually glad we are being proactive in studying these impacts. We have to find a balance, Mr. Jenkins. But we have to be proactive because some of the things that are lurking out there are potential carcinogens.

Thank you.

UNBIASED SCIENCE

Mr. CALVERT. Thank you. Quick comment, and I am going to recognize Mr. Jenkins.

I used to chair the Environment Committee on Science, and one thing we need to make sure of, no matter what your position may be in some of the various issues that we have before us, that the science is untainted. Because I have seen a lot of science on both sides that have a political ramification to it.

So science is science. It should be unbiased and not for a particular purpose.

Mr. Jenkins.

COMPLIANCE WITH OMNIBUS LANGUAGE

Mr. JENKINS. Thank you, Mr. Chairman.

I just want to summarize real briefly. I think this hearing and having you here is a real opportunity to let us air out and have an open discussion about expectations. I just wanted, for the record, to make it very clear that I think a Web site, a two-page letter with 100 pages of bibliography, a meeting in April, and then a summary of comments is not meaningful.

So, I look forward to working with the Chair of this Subcommittee and the full Committee to try to reengage OSM so we

can reiterate what truly would be a meaningful process to satisfy what everybody agrees is mandatory.

So I think we have cleared up here that, in my opinion, what you are proposing does not satisfy the meaningful requirement. So we look forward to working with you to try to work towards an understanding of what would be meaningful.

AML ECONOMIC AND COMMUNITY DEVELOPMENT

Secondly, relating to AML, the \$90 million pilot program. One of the questions that has risen is are those projects that that money will be able to be used for, are they restricted to just those, those pre-1967 sites, or can it be sites post-1967?

So the \$30 million for West Virginia, are the properties that a project that has an AML nexus, can the funding be used even if it was an abandoned mine from 5 years ago, not 50 years ago?

Mr. PIZARCHIK. Congressman Jenkins, that is a very good point to make. The Surface Mining Act drew the line at August 3, 1977, when it became effective.

Mr. JENKINS. '77?

Mr. PIZARCHIK. Yes.

Mr. JENKINS. Are you applying that '77 line for this special \$90 million project? I am hoping you don't.

Mr. PIZARCHIK. I am going to follow the law, and the way the Surface Mining Act is written, there are two distinct categories. There is Title 5, which deals with active mining. That is all mining that has occurred since August 3, 1977, and AML money, this \$90 million, cannot be used on those types of sites.

The law only allows us to use it for sites that were mined and abandoned prior to August 3, 1977. So that is where the nexus is, and that is the standard. You know, we have to carry out the law, and that is how it is provided.

Mr. JENKINS. From the follow-up discussion with Chairman Rogers and myself, have you all come up with ways in which to expedite and facilitate getting projects approved, getting this money out there?

Mr. PIZARCHIK. We are working on that. And as one of the follow-ups, we are drafting guidance to help with that, and we are putting together some meetings with the State AML folks, with EDA and ARC and the State economic development folks, to get everybody together to help identify those projects so they can move forward more quickly.

The process that we use for funding the grants is the expedited grant process, and we continue to do that. We will do it in a manner that will allow those projects to go as quickly forward as possible in light of the various other legal requirements that come into play. But, yes.

Mr. CALVERT. If the gentleman would yield for a moment?

Mr. JENKINS. Yes.

Mr. CALVERT. The pilot made no distinction on the pre-1977 sites or sites after 1977. So I want to make that clear. So I want to make sure that there is a difference between the pilot program that has passed in law versus the AML.

Mr. PIZARCHIK. Mr. Chairman, we will go back and I will ask the lawyer to take a look at it. But my understanding from the pre-

vious analysis that was performed where the addition was made is that it is pre-1977.

Mr. CALVERT. Well, certainly if you want the intent of this Committee, the Committee's intent is that the pilot program language is what is in law.

IMPORTANCE OF SCIENCE

Mr. PIZARCHIK. Thank you for sharing that. If I may, on your comment about the science, about needing to have a good basis. Secretary Huffman from West Virginia several months ago had asked for help on assessing some of the science that is out there, as whether or not health problems are being caused by coal mining in West Virginia.

And we have reached out to the National Academy of Sciences, and we are working with them to try to bring them onboard to bring in the appropriate experts to look at the science that has been done and evaluate that for the purposes of making a determination is that good science or not?

AML PILOT PROGRAM

Mr. CALVERT. Mr. Jenkins.

Mr. JENKINS. Mr. Chairman, thank you for bringing that up, and I appreciate your sensitivity. I know you have been fully engaged. I share your feelings. We have sat with OSM directly to raise our concerns that they are imposing additional criteria, standards, and requirements for this pilot project that are applicable under traditional AML funds. I know that was not the intent. It was not the letter of the law.

We are trying to politely encourage and prod OSM to not treat it in the traditional way, but in the manner in which we intended. And we are trying to make progress. But thank you for that comment. This was not intended to be restricted to pre-1977.

ECONOMIC IMPACTS OF THE STREAM PROTECTION RULE

My last comment, Mr. Chairman. You raised your attention to the jobs issue. This is why this whole issue is so important, relating to the stream protection rule, stream buffer zone.

By their own analysis or by their supposed independent analysis, they think that there will be 260 lost jobs nationally, 260, and there would be 250 jobs created by compliance and that the entire net impact is 10 jobs. We have independent studies that suggest that the jobs impact just in Appalachia will be 50,000 and 60,000 jobs.

So when you are talking about a net 10 jobs nationally versus just in my neck of the woods, 40,000 and 50,000 jobs, there is a gulf of disagreement. That is why we need true reengagement, and getting these documents that OSM hasn't been willing to share before despite repeated FOIAs. We have got to get to the bottom of this. And this idea that we are rushing to September of 2016 after 6, 7 years of effort, we know why they are rushing. It is obvious.

But we put directives in the law and Secretary Jewell says it is a requirement. OSA needs to reengage. It needs to be meaningful before you finalize the rule. So, once again, do not finalize until you

satisfy what the Secretary agrees is a requirement that you must reengage in a meaningful manner. I have said it clearly from my perspective here, what you are outlining, what you have clearly stated is—in my opinion, is not meaningful.

Mr. CALVERT. I thank the gentleman.

Any additional questions, Ms. McCollum?

APPLICATION OF AML PROJECT REQUIREMENTS IN PILOT PROGRAM

Ms. MCCOLLUM. Well, not a question, just a comment: I understand the discussion about the pilot program, and I get the difference between post-1977 and legacy mining. But, for the record, I want to reiterate again that this \$90 million coming out of the Interior budget is concerning to me because we have so many unmet needs.

And I would point out that Minnesota figured out quickly that the taconite companies had to be part and parcel of the future, of moving forward and being part of the reclamation. Appalachia is feeling a lot of pain right now, and I agree that we want to see this issue be resolved. But I also want to be very clear that funding going forward to do this can't be literally at the expense of other communities. Other mining communities have figured out other ways to reclaim some of this money.

So I look forward to working with you, Mr. Jenkins.

Mr. JENKINS. Thank you. Can I very politely—would you yield for one moment?

Ms. MCCOLLUM. Yes.

Mr. JENKINS. Thank you very much.

The distinction is, in my opinion, this money—and you are very appropriate if we were taking money from AML that would be potentially used for other projects. The \$90 million is not coming from AML. While it is going through Interior, this came from the Treasury.

So this is not AML money. It is not taking from Peter for Paul. So that is our issue is it is the source of this money. While the mechanism involves OSM, it is not traditional AML money.

Ms. MCCOLLUM. And I understand that, Mr. Jenkins. But as things change and as budget discussions happen, I just want to lay a marker that it not come out of Interior.

Thank you very much.

And thank you, Mr. Chairman.

Mr. CALVERT. I thank everybody. I apologize. I know that this is a very important subject, but we have a BLM hearing that is starting right after this, and so I must adjourn this hearing.

Thank you for your attendance. I appreciate it.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
FY17 Budget Hearing: Office of Surface Mining Reclamation and Enforcement
March 3, 2016

Questions for the Record – Director of the Office of Surface Mining Reclamation and Enforcement

Questions from Mr. Calvert

President's Request to Hire More Federal Inspectors

There are many familiar proposals in the budget including a requested increase of \$3.7 million and 12 FTE for more Federal inspectors and enhanced oversight of State programs. With fewer mines in operation and with dozens more facing the real possibility of shuttering their doors within the next six months to a year, the Committee is left to wonder what your existing personnel (419 FTE) will have to work on a year from now.

Calvert Q1: Please explain why more staff are necessary when 10,000 coal miners have been laid off in Eastern Kentucky and elsewhere in Appalachia by this Administration's policies?

Answer: Over the past few years, the demand from States, Tribes, public interest groups, and internal customers for the Office of Surface Mining Reclamation and Enforcement (OSMRE) to provide technical support on coal mining issues has been significant and current staffing and funding is not sufficient to meet the demand. The 12 FTE technical assistance positions in the FY 2017 budget request are for activities that include development of policy/guidance documents for technical issues, such as blasting, as well as onsite review and guidance on the application of regulations to specific permits and situations. Many States have limited staff and they rely on OSMRE for this expertise and support.

In addition, it is critical that OSMRE keep up with advances in the sciences and their application to current regulations, as well as, for example, to have knowledgeable staff to process mining plan applications from operators, including the associated environmental reviews required under Federal law, and to address abandoned mine land sites and related issues.

Some examples of the important work OSMRE is conducting that is critical to the public include administration of the Abandoned Mine Land (AML) program, the Appalachian Regional Reforestation Initiative (ARRI), GeoMine and the Technical Innovation and Professional Services (TIPS) program.

OSMRE is charged with the administration of SMCRA's AML Program. Title IV of SMCRA requires OSMRE to address environmental, public health, and safety hazards posed by past mining practices, including water pollution, acid mine drainage, unstable or open mining areas, landslides, and subsidence of underground coal mines. Despite remarkable achievements, more than \$4 billion worth of High Priority health and safety coal-related abandoned sites remain in

OSMRE's e-AMLIS inventory. Millions of Americans live less than a mile from abandoned coal mines and remain subject to potential adverse impacts.

The Appalachian Regional Reforestation Initiative (ARRI) is a coalition of groups, including citizens, the coal industry, academia, and government dedicated to restoring forests on coal mined lands in the Eastern United States. Under ARRI, highly productive forestland can be established on reclaimed mine lands under existing laws and regulations by using the Forestry Reclamation Approach (FRA) to successfully plant trees for post-mining land use.

GeoMine, a coal mining geographic information system, provides interactive geospatial data sharing among State and Federal agencies regarding coal mining activities and decisions. OSMRE partnered with the Fish and Wildlife Service (FWS), Environmental Protection Agency (EPA), U.S. Army Corps of Engineers (USACE), and SMCRA regulatory agencies from Kentucky, Tennessee, Virginia and West Virginia on this effort. GeoMine supports the decision-making processes associated with surface coal mining and reclamation operations by improving accessibility to data, and sharing mapping data between partner agencies.

Under OSMRE's Technology, Development and Transfer (TDT) activities, OSMRE specialists provide technical assistance to State and Tribal regulatory and reclamation staff, and to OSMRE staff that review and monitor State programs, develop rules or policy, litigate SMCRA challenges or enforcement actions, or maintain other technical support components such as TIPS, AVS, and technical training programs. TIPS training is developed in-house by State, Tribal, and OSMRE experts and is customized to coal mining and reclamation applications. The need to ensure that States, Tribes, and OSMRE have the best available technical data and information needed to make good science-based decisions regarding mining plans, reclamation project design, permit reviews, and acid mine drainage remediation and prevention is more critical than ever. To successfully implement the surface mining regulatory and reclamation programs, OSMRE, and the States and Tribes, must maintain multi-disciplinary staffs that are fully competent in addressing the wide variety of environmental and public threats that impact communities.

Calvert Q2: What aspects of OSM's proposed budget seek to expand coal production in fiscal year 2017?

Answer: As a regulating authority, OSMRE is not charged with expanding coal production. Rather, its mission is to carry out the requirements of the Surface Mining Control and Reclamation Act (SMCRA) in cooperation with States and Tribes. One of the purposes of SMCRA, as stated in section 102(f), is to assure that the coal supply essential to the Nation's energy requirements, and to its economic and social well-being is provided. This section goes on to state that the purpose of SMCRA is to strike a balance between protection of the environment and agricultural productivity and the Nation's need for coal as an essential source of energy. SMCRA further specifically directs in section 201(c) that OSMRE will have no function or role in "promoting the development or use of coal...." Thus, OSMRE's primary objective, as noted above, is to strike a balance between protection of the environment and the production of coal.

AML Pilot Program

In the FY16 Omnibus, the Committee established a pilot program to explore how Federal funds may be used to return abandoned mine land sites or AML-impacted communities to productive economic reuse. The pilot offers local communities maximum flexibility to decide which sites and which projects will offer the greatest opportunities based on their specific needs and specific assets they bring to the table. The Committee assumes that States and communities will apply a bottom-up approach to identify projects that will offer the most benefits for the community, as defined by the community. Therefore the pilot is designed without preconceived notions with respect to the types of projects that are selected. The Committee expects to have an ongoing collaborative dialogue with the States as their communities work through the implementation and execution of the pilot. We appreciate that OSM has been working to expedite and streamline the funds to States.

Calvert Q3: What additional opportunities are under consideration for streamlining the processes for States to quickly put the money to use on the ground?

Answer: OSMRE has met with the States and Federal partners to gain input on the implementation of the AML Pilot Program. Recently, OSMRE met with Kentucky, Federal partners, local economic organizations, and local non-governmental organizations (NGOs) for the purpose of obtaining feedback on the implementation of the program and the role that each organization can play in ensuring the success of the program. Among other things, we will use the streamlined AML grant process. OSMRE will continue the dialogue with Pennsylvania and West Virginia by conducting meetings and communicating throughout the process with the State AML programs, Federal partners, local economic organizations, and local NGOs.

New Budget Initiatives

For the reforestation initiative (+\$1 million; +3 FTE), the State of Kentucky in conjunction with the University of Kentucky have been doing some great work in this area already.

Calvert Q4: What is the Federal role or nexus here?

Answer: The Federal role is reflected in OSMRE's Appalachian Regional Reforestation Initiative (ARRI) established in 2004 by OSMRE and the States in the Appalachian Region to reestablish forests by increasing the number of trees planted on active, and abandoned mine lands, increase the survival rate of the trees planted, increase the growth rates of the trees that survive, and boost natural succession to provide vigorous and diverse forests on mined lands that will benefit future generations. As mentioned, ARRI is a partnership between OSMRE, academia, citizens, the coal industry, and government that has led to the reclamation of mines using the Forestry Reclamation Approach (FRA) in all seven states of the Appalachian Region, as well as Alabama. Survival and growth rates of the trees planted during reclamation have been exceptional, rivaling even the growth and survival rates of trees planted on undisturbed soils.

The Commonwealth of Kentucky and the University of Kentucky have, and continue to, work with and through ARRI to make great strides in reforesting legacy mine sites in Kentucky. In the

last seven years, almost 389,000 trees have been planted on 755 acres of lands. This joint concept has proven successful in the other Appalachian states as well, with over 1.6 million trees planted on 2,600 acres of mined lands across Appalachia in that same time period. In total, over 11,000 volunteers planted these trees.

Calvert Q5: For the mapping activities, if we are able to enact Chairman Rogers RECLAIM Act or if we move forward with phase 2 of the AML pilot, then we will need some good maps to identify areas to return to productive reuse. The States already have some pretty good maps.

Please explain why this is an activity that the Federal government needs to have an expanded role in.

Answer: In addition to the discussion above, OSMRE's role is to facilitate partnerships like those established in Kentucky to develop private enterprises to reforest mine sites. These partnerships are the linchpin to a successful reforestation and reclamation program. The requested funding will allow OSMRE to expand this highly successful reforestation program to a national level, establishing similar partnerships in other states.

State Bonding Requirements

A number of lawsuits in Wyoming, Illinois, Indiana and West Virginia from outside organizations are the latest effort drive the cost of coal higher and make investments less desirable and economical.

Calvert Q6: Does the Administration view any of these lawsuits as having merit and what is OSM's role?

Answer: As a matter of policy, OSMRE does not comment about potential or ongoing lawsuits or litigation. Such legal matters are managed by lawyers in the Department of the Interior's Office of the Solicitor and the U.S. Department of Justice.

Calvert Q7: How does OSM intend to serve in a complementary and advisory role to its State partners?

Answer: OSMRE regularly serves in a complementary and advisory role with States and Tribes. One example is the Financial Assurance Coordination Team (FACT), which is advisory in nature and does not, in and of itself, have oversight authority. The team gathers, maintains, and provides resources and advice to assist decision makers. The FACT has already worked collaboratively and successfully with several States. The FACT's most recent meeting occurred on March 16-17, 2016, in St. Louis, MO. Many representatives from the state regulatory agencies attended the meeting and participated in discussions on bankruptcy and bonding issues. More recently, we have encouraged and envision additional members representing States, Tribes, and the Interstate Mining Compact Commission will join the FACT.

OSM Stream Buffer Rule

The bipartisan FY16 Omnibus bill directed the Office of Surface Mining Reclamation and Enforcement to reengage states in a meaningful manner before finalizing any Stream Protection Rule. Specifically, OSM is required to provide the States with all technical reports, data, analyses, comments received, and drafts relating to the environmental reviews, draft EIS, and final EIS. OSM is also required to meet with any primacy State at the request of the State.

These congressional directives are in direct response to OSM's failure to work with the States in a collaborative manner—as partners—in the development of the proposed rule and draft Environmental Impact Statement (EIS). It's absolutely essential that this failure be corrected so States will be more involved in the rulemaking process as the law requires.

Calvert Q8: How is OSM planning to accommodate a State request for documents and information?

Answer: All documents and information directly relied on were cited in the rule and the supporting documents, which were made available to the public beginning on July 16, 2015. OSMRE also provided the requested list of documents to the States on March 24, 2016. OSMRE made these documents available by uploading reference materials related to the proposed Stream Protection Rule, the draft EIS and the draft RIA to the website regulations.gov with the exception of reference materials protected by copyright law. OSMRE has also offered assistance through its librarian to those States that request help in obtaining copyright-protected materials.

Calvert Q9: Will OSM provide all documents related to the rulemaking or only those that pertain to the requesting State(s)?

Answer: See response to Question 8 from Mr. Calvert. The materials are available to all States and the public.

Calvert Q10: How is OSM planning to accommodate a State request for a meeting following the State's review of the information provided by OSM?

Answer: By letter dated March 1, 2016, OSMRE proposed to set aside time at the Interstate Mining Compact Commission (IMCC) meeting on April 18, 2016, in Lake Placid, NY for the States meet with the OSMRE. This was the most efficient way for everyone to meet without additional time or expense. However, by letter dated March 7, 2016, the IMCC declined this offer. Nonetheless, Assistant Secretary Janice Schneider, Deputy Assistant Secretary Brandi Colander, OSMRE staff, and I met with state regulatory agency representatives at that IMCC meeting. Additionally, as suggested in the IMCC March 1, 2016 letter, OSMRE scheduled a series of technical meetings. Staff from 6 state regulatory authorities participated in the meeting on April 14, 2016 and 5 State regulatory authorities participated in the meeting on April 21, 2016.

Calvert Q11: How will the results of such meetings be incorporated into the administrative record for the pending rulemaking?

Answer: OSMRE plans to prepare a summary of the State meetings and include it in the administrative record for the rule.

Calvert Q12: What opportunity will there be for further public comment on the new information in the record?

Answer: No additional public comment period for the rulemaking is currently planned. .

Questions from Mr. Joyce**Stream Protection Rule (SPR)**

On July 16, 2015, the Office of Surface Mining Reclamation and Enforcement (OSM) of the Department of the Interior announced a Stream Protection Rule that would revise regulations implementing Title V of the Surface Mining Control and Reclamation Act (SMCRA). The proposal is intended to avoid or minimize adverse impacts of coal mining on surface water, groundwater, fish, wildlife, and other natural resources by limiting the mining of coal in or through streams, placement of waste in streams and limiting the generation of mining waste. OSM asserts that updated rules, which have been under development since 2009, are needed to reflect current science, technology, and modern mining practices.

Joyce Q1: The requirements for permit renewals are being revised to include a biological assessment of streams. Stream biology is completely new to SMCRA. Biological stream function is a principal area of concern for the U.S. EPA under the Clean Water Act (CWA). Why is it necessary for the OSM to now be concerned with stream biology? Is the CWA not effective? How will the OSM personnel be sufficiently upgraded to effectively assess stream biology? Will it be necessary to significantly increase the budget of the OSM to effectively administer the overall expansion of responsibility and authority being proposed in the SPR?

Answer: Protecting the biological resources of streams is not a new requirement. Under Sections 515(b)(24) and 516(b)(11) of SMCRA, operations must be conducted to minimize adverse impacts on fish, wildlife, and related environmental values. Despite this requirement, existing regulations do not specifically require collection of the baseline data necessary to determine the biological condition of streams. Consequently, the permit application often lacks specific descriptions of the aquatic community residing in streams within the permit and adjacent areas. The lack of baseline information on the biological condition of streams creates an impediment to determining whether the proposed operation will meet the objectives of SMCRA Sections 515(b)(24) and 516(b)(11). It also makes it difficult to determine whether the operation has been designed to prevent material damage to the hydrologic balance outside the permit area, as required by Sections 507(b) and 510(b)(3) of SMCRA. Furthermore, preparation of a comprehensive cumulative hydrologic impact assessment, as required by Section 507(b)(11) of SMCRA, is not always possible if the permit application does not include information on the biological condition of streams. While the information sometimes may be available from the agencies responsible for implementing the Clean Water Act, those agencies generally do not assess the cumulative loading of substances legally discharged into the receiving stream until the stream becomes impaired.

Finally, there are many determinants that affect the overall budget for OSMRE. While OSMRE does not anticipate that the development and implementation of this rule will require significant additional resources, budgetary needs in future years will be determined as part of a process that reflects programmatic needs and OSMRE, DOI, and Administration priorities.

Joyce Q2: How will the primacy state regulatory agencies be able to cope with the added responsibilities and authorities being proposed in the SPR? It seems obvious that additional costs in both time and money will be incurred by the states and miners as a result of the provisions being added to SMCRA under the SPR. How would this not be the case?

Answer: The additional cost to state regulatory authorities is being taken into consideration. The draft Regulatory Impact Analysis estimated that compliance costs would be approximately \$855,000 per year for state regulatory authorities. OSMRE is reviewing these estimates in response to comments that we received on the draft Regulatory Impact Analysis. Any additional costs would be phased in over several years.

Joyce Q3: The coal industry is in a severe downturn. Thousands of miners have lost their jobs and many companies have filed for bankruptcy. Do you see the SPR as imposing additional hardship on a struggling industry? In your opinion, will the SPR result in more lost jobs and failed mines? How does the OSM plan to cope with the significant reclamation liability that will be realized as a result of extensive mine defaults?

Answer: A variety of factors impact the price of coal. We believe that the current challenges facing the coal industry are the result of reduced demand for coal, which has resulted in downward pressure on coal prices. These factors are primarily market-driven, such as low natural gas prices, fuel switching by utilities from coal to natural gas and slowing global markets resulting in reduced exports, rather than the result of regulatory actions such as the proposed Stream Protection Rule. The draft Regulatory Impact Assessment indicates that the proposed rule would have a minimal effect on the coal industry. The draft Regulatory Impact Analysis estimates that adoption of the proposed rule would result in less than a 0.2% reduction in coal production. It also estimates that the rule would result in an increase in coal prices of 0.2 to 1.2% (depending upon the region and type of coal) and a 0.1% increase in national electricity production costs for utilities.

Joyce Q4: A requirement is proposed in the SPR to describe all historical uses of the land to be mined, without a time limitation and without limitation to the single use preceding the permit application. Why is this necessary? Furthermore, the SPR would require identification of any private agreement between the mining company and the landowner with regard to the designated post-mining land use. What interest does the OSM have with regard to private agreements? How will disclosure of private agreements protect the environment or health and safety of the public? Does a requirement to disclose private agreements violate constitutional privacy rights?

Answer: Knowledge of past land use is important to ensure that the mined land is restored to a condition capable of supporting the use that it was capable of supporting before any mining, as required by section 515(b)(2) of SMCRA. Private agreements between the landowner and the mining company regarding the proposed post-mining land use may be relevant information that the regulatory authority should consider in making its decision as to whether a proposed alternative post-mining land use is impractical, unreasonable, or would involve unreasonable delays in implementation, as required by section 515(b)(2) of SMCRA. OSMRE is evaluating comments received on these elements of the proposed rule in determining whether to adopt them as part of the final rule.

Joyce Q5: New topsoil handling requirements are included in the SPR. What evidence does the OSM have to show that the existing topsoil handling procedures are not adequate?

Answer: Thank you for your question as it provides for an important opportunity to clarify the proposed text. The proposed rule does not substantially alter topsoil handling requirements, apart from a requirement for enhanced documentation of soil replacement depths. Instead, the proposed rule focuses on improving the root zone needed to properly support vegetation. The preamble to the proposed rule contains an extensive discussion of the need for improved root zones and the importance of salvage and replacement of subsoil. The rule also emphasizes the importance of avoiding compaction of the root zone. As discussed in the preamble to the proposed rule, there is ample documentation of the adverse impacts of excess compaction of soils on reclaimed mine sites. Excess compaction and the planting of aggressive non-native grasses have severely impacted the capability of mined lands in the East to support woody plants or to be restored to productive forestland. The reduction in site productivity and capability is inconsistent with Section 515(b)(2) of SMCRA, which requires that mined land be restored to a condition capable of supporting the uses that it could support before mining.

Joyce Q6: Revegetation plans in permit applications under the SPR would now require certification from a professional forester or ecologist. Does the OSM have any evidence to show that the plans now being proposed and implemented are resulting in less than favorable results? How might this provision increase costs and time for a miner to prepare permit applications and for the regulatory agency to review them?

Answer: As discussed in the preamble to the proposed rule, thousands of acres of mined land have been reclaimed and replanted in a manner that permanently reduces their capability and productivity. The proposed requirement that a qualified professional certify revegetation plans should not substantially increase costs to permit applicants or regulatory authorities. OSMRE is, however, evaluating comments on this aspect of the proposed rule in deciding whether to adopt the provision as part of the final rule.

Questions from Mr. Jenkins**Offsite Impacts**

OSM has found in its own oversight reports that 90% of mines nationwide have no offsite impacts and in many states, 100% have no offsite impacts.

Jenkins Q1: With this being the case, why does OSM see the need to add more regulatory burdens, especially those that overlap and conflict with other state and federal programs regulating water quality?

Answer: OSMRE inspections and other oversight activities in primacy states, including the annual evaluation reports, focus on the success of state regulatory authorities in achieving compliance with the approved regulatory program for the state. Directive REG-8, which establishes policy and procedures for the evaluation of state regulatory programs, specifies that the offsite impacts identified in annual evaluation reports do not include impacts from mining and reclamation that are not regulated or controlled by the state program. In other words, the annual evaluation reports generally do not identify or discuss situations in which the existing regulations provide inadequate protection. While Directive REG-8 provides discretionary authority for evaluations of impacts that are not prohibited by the regulatory program, that authority may be exercised only if both OSMRE and the state agree to do so, and if they are not characterized as offsite impacts. Historically, that discretionary authority has not been exercised.

The stream protection rule would not overlap or conflict with other state and Federal programs regulating water quality. Rather, it would complement those programs and promote cooperation among all agencies with a role in protecting water quality and coordinating permitting processes.

Duplicative Oversight

Section 702 of SMCRA prohibits superseding, amending, modifying, or repealing the Clean Water Act or any other federal law, including the Endangered Species Act. This section requires OSM to work with other federal agencies and state regulatory agencies to minimize this conflict and duplication.

Jenkins Q2: Did OSM review its proposal to see if it did minimize conflict with other federal and state laws and programs?

Answer: Yes. OSMRE is consulting on the proposed rule with the Environmental Protection Agency (EPA) and U.S. Army Corps of Engineers to minimize duplication and avoid conflicts between our proposal and the Clean Water Act or Federal and state requirements associated with the Act. Similarly, OSMRE is consulting on the proposed rule with the U.S. Fish and Wildlife Service (USFWS) to ensure consistency with the Endangered Species Act. Additionally, the rulemaking process allows for ample engagement of all interested Federal agencies through the interagency review process administered by the Office of Management and Budget (OMB).

Jenkins Q3: What outreach did OSM perform with other federal and state agencies in advance of publishing the proposal to assure that it minimized conflict?

Answer: State regulatory authorities have had numerous opportunities to participate in the rulemaking process, which began with an Advance Notice of Proposed Rulemaking published on November 30, 2009 (74 FR 62664-64668). We subsequently held 15 stakeholder outreach meetings on the proposed rulemaking, including meetings with States. We also published two notices of intent on April 30 and June 18, 2010, explaining the scoping process that we intended to conduct for preparation of a draft environmental impact statement (DEIS) for the proposed SPR. We received 20,571 comments, including comments from State regulatory authorities, in response to the two scoping notices.

A number of state agencies, including State SMCRA regulatory authorities, participated as cooperating agencies in the early development of the DEIS for the SPR. These State agencies were engaged by OSMRE and provided meaningful input and comments that were used to prepare the DEIS. In addition, the DEIS was made available for all cooperating agencies and the public to review and provide input on during the public comment period. In an effort to further accommodate requests from stakeholders and the States, the public comment period was extended to provide interested parties more time to review and comment on the DEIS. In addition, OSMRE also met with the USEPA, USFWS, and U.S. Army Corps of Engineers in advance of publishing the proposed rule to receive their input.

Jenkins Q4: Can you provide us with that analysis and record of performing such outreach?

Answer: In late 2010 and early 2011, OSMRE provided State and Federal cooperating agencies the opportunity to review and comment on Chapters 2 through 4 of the first working draft of the DEIS that had been developed by OSMRE's consultant. In October 2010, OSMRE hosted a conference call with the cooperating agencies to discuss their comments on the draft of Chapter 2. A similar conference call was held in January 2011, to discuss comments received on Chapters 3 and 4, with particular emphasis on Chapter 4. OSMRE met with the State SMCRA regulatory authority cooperating agencies on April 27, 2015, to discuss how their comments on the preliminary drafts were used in preparation of the DEIS and the overall structure of the proposed rule and the analysis of impacts. We have also continued to engage with the States to better understand their feedback on the proposed SPR.

OSMRE also met with Federal agencies regarding the primary elements of the proposed rule prior to publication in the Federal Register. Briefings were held with the U.S. Army Corps of Engineers on September 4, 2014, the Fish and Wildlife Service on September 8, 2014, and the U.S. EPA on October 7, 2014. Additional briefings were held with the EPA and the Corps on April 17, 2015. We have continued to work closely with these Federal agencies on their comments as we evaluate the public comments and develop the final

Abandoned Mine Land (AML) Pilot Program

Tough market conditions, further exacerbated by environmental regulations, have devastated coal communities in the heart of Appalachia. To directly address this problem, the committee

included \$90 million in the Consolidated Appropriations Act of 2016, P.L. 114-113, for three states to try out a pilot program for economic development projects in AML impacted communities.

This program was designed to advance an expedited approach that would get these much-needed resources to the states right away. This funding comes from the Treasury as discretionary funding, not AML funds. The enhanced flexibility in distributing these funds would allow the states to test out creative ways to revitalize the local economies of the impacted states.

Jenkins Q5: With that in mind, can you please inform the committee on the status of implementation? In particular, what steps is OSM taking to expedite the pilot process and help our state AML partners with project requirements and criteria?

Answer: OSMRE has begun efforts to work with State partners to advance projects with an economic nexus to AML-impacted communities. As mentioned, we have already met with Kentucky, other Federal partners in this effort, and local communities to this end. Because this is discretionary funding rather than money from the AML Fund, we expect that several of these projects will include not only traditional reclamation work, but also improvement of infrastructure in surrounding communities with AML sites. We plan to meet with Pennsylvania and West Virginia, as well. We are also completing guidance that will assist the states in identifying appropriate projects.

Jenkins Q6: OSM has previously indicated a willingness to work with state partners to advance projects with an economic nexus to AML-impacted communities. As these are discretionary – not AML – funds, it is expected that several of these projects will include not only traditional reclamation work, but also improvement of infrastructure in surrounding communities with AML sites.

In order to provide further guidance to our state, please list a few examples of projects that OSM would consider satisfy the qualifications for this pilot program in AML-affected communities (i.e. road projects, water line improvements, etc.)

Answer: It is premature to list examples of the projects that OSMRE will consider for qualifications of the program because we are currently seeking input from States, local economic organizations, and local NGOs. Implementation of this program will encompass a variety of projects.

Jenkins Q7: Given the nature of the program, its funding source (non-AML, discretionary dollars) and its emphasis on economic revitalization, how would OSM consider a post-1977 abandoned mine site project that brings tangible benefits to an AML-impacted community?

Answer: Again, OSMRE is relying on significant input from the State AML programs, local economic organizations and NGOs in making the determination post-1977 abandoned mine sites that emphasize economic revitalization and tangible benefits to an AML-impacted community.

THURSDAY, MARCH 3, 2016.

BUREAU OF LAND MANAGEMENT

WITNESS

NEIL KORNZE, DIRECTOR, BUREAU OF LAND MANAGEMENT

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT. The committee will come to order. We are going to have some votes here shortly, so what I want to attempt to do is to get through the opening statements, and then we will be able to come back for our Q&A after votes.

I want to say good morning to Director Neil Kornze, and I want to welcome him and his wife, Beckett, and their new 3-year, or 3-month-old baby, I should say. [Laughter.]

Okay, 3-month-old baby.

Ms. MCCOLLUM. Super cute, you can add that.

Mr. CALVERT. And super cute, as amended.

Mr. KORNZE. Mara and Beckett are right over there.

Mr. CALVERT. Okay. Well, again, good morning. Today we have our hearing on the President's budget request for the Bureau of Land Management for Fiscal Year 2017. I would like to welcome Neil Kornze, the director of Bureau of Land Management, to the subcommittee. Thank you for being here.

As the manager of more than 245 million acres of the Nation's land and 700 million acres of its subsurface mineral state, BLM is on the forefront of every land management issue facing the Nation today. BLM's programs, policies, and decisions, especially affect Americans in the West and certainly in my own home State of California.

The President's budget proposes \$1.3 billion for BLM for Fiscal Year 2017. Overall this is a \$7.1 million increase over Fiscal Year 2016. However, this seemingly moderate increase actually is much larger because of the fee proposals in the request.

We have many topics to discuss today regarding BLM's management of public lands and its funding request. I am certain we will cover the fee proposals, funding increases for hydraulic fracturing, and other oil and gas regulations, and the status of the Sage-grouse conservation effort. We will also cover the proposed improvement to the Wild Horse and Burro Program, and BLM's plans for newly designated national monuments in California.

Once again, I have to express my disappointment with the proposals to collect \$16.5 million from a new fee for grazing permits and \$48 million for a new fee for oil and gas inspection. We all know that Congress has rejected these proposals in the past. I expect that we will reject them in the Fiscal Year 2017 budget. The appropriations process is not the appropriate forum to debate these

issues. They are best left to our colleagues in the authorizing committees.

BLM is proposing a \$15.2 million increase to implement new rules and regulations for its onshore Oil and Gas Program. Well, not all of this is for the new rules. I do find it somewhat presumptuous to ask for an increase when the hydraulic fracturing rule is stayed and may be for some time, and the methane and waste reduction rule is in the early stages of its comment period.

When these two regulations are considered along with the proposed changes to the planning process, BLM sure seems to be focused on a lot of new regulations these days. Although we did not expect to be able to make significant investments in BLM's programs when we first started the Fiscal Year 2016 process, I am pleased that we were able to do so in a few places.

Most significant was the \$45 million increase for Sage-grouse conservation. The budget requests an additional \$19 million, including \$5 million to implement the National Seed Strategy for Fiscal Year 2017. The funding provided last year was primarily intended to put into place on-the-ground conservation measures to help restore Sage-grouse habitat and the sagebrush ecosystem. We will need to know whether progress is being made with the existing funding as we wait for the request for additional funds.

Some States continue to have concerns with the resource management plans for Sage-grouse and proposed mineral withdrawal. Thank you for your letter responding to the subcommittee's report language and explaining how BLM worked with the States. I encourage you to continue these efforts and develop additional guidance, which would help clarify the implementation process and provide certainty to the States and other partners.

Before I close, I would like to mention the proposal to establish a BLM foundation. This subcommittee is interested in this concept. It has proven to be a successful model for the Department of Interior and Department of Agriculture agencies. It also has the potential to supplement and complement BLM's work. However, Congress needs a legislative proposal in order to move forward, and I hope that is coming soon.

Again, I want to thank you for being here today. I look forward to your testimony, and I yield to my good friend, Ms. McCollum, for her opening remarks.

OPENING REMARKS OF RANKING MEMBER MCCOLLUM

Ms. MCCOLLUM. Thank you, and I would like to welcome Director Kornze to the subcommittee. Thank you for being here this morning, and for bringing a delightful treat along with you, your new child.

The BLM has one of the most challenging missions within the Department of Interior. BLM is responsible for 247 million acres of public land and a broad spectrum of natural resources that those lands provide. For Fiscal Year 2017, the Agency is proposing a modest budget that is \$7 million more than Fiscal Year 2016 level, while strategically directing funding to the high priorities and proposing reasonable user fees to cover the cost of oversight.

The proposed budget continues BLM's commitment to Sage-grouse conservation, requesting additional funds to restore the

stage steppe ecosystem. Additionally, the budget requests \$5 million for the National Seed Strategy to support collection and research activities for seeds that are critical to BLM's ability to restore lands damaged by drought, invasive species, and catastrophic wildfires.

I am also pleased to see that the budget includes an increase for cultural resource protection in the Natural Conservation Lands. These heritage resources and ecological treasures are part of America's history and should be cared for and preserved for future generations.

BLM's budget builds upon the robust investments we made last year to the Land and Water Conservation Fund to promote protection and conservation of natural landscapes and resources. The LWCF also supports access by hunters and anglers, which is something Chairman Simpson and I agree is a key priority for public lands.

The budget includes investments for the Oil and Gas Program. The Administration once again has proposed new authority for BLM to collect onshore oil and gas inspection fees. Resulting revenue would cover the cost of BLM's onshore inspections and activities to help ensure that the extraction operations are safe, environmentally responsible, and ensure a fair return to the taxpayer. This new fee authority would also bring parity to how the Federal government treats offshore and onshore oil and gas inspections.

Appropriately managing American people's lands and ensuring that these precious resources are available for both current and future generations is a solemn responsibility you carry out, sir. We depend on our public lands for a variety of uses, including ranching, energy development, recreation, hunting, and conservation. The way we use our public lands have grown and changed over the years, and will continue to evolve in the future.

And it is understandable that there will sometimes be competing and often conflicting ideas on how we should prioritize and use our lands, but these disagreements should be discussed and debated peacefully and lawfully. There should be no tolerance for threats of violence or intimidation against public servants who are truly the caretakers of our lands. No one is above the law.

So, Director, I appreciate the work that you and all the employees of the Bureau of Land Management do, and I look forward to your testimony. And I thank you for the courtesy of an opening statement, Mr. Chairman.

Mr. CALVERT. Thank you. Ms. McCollum, with your concurrence, I think we should just recess for a few minutes, go and vote, and we will come back for your opening statement. So we will be in recess.

[Recess.]

OPENING REMARKS OF DIRECTOR KORNZE

Mr. CALVERT. Reconvene. Director, you may begin your opening statement.

Mr. KORNZE. Thank you very much, Chairman, Ranking Member, members of the Committee.

I think as you know, the Bureau of Land Management manages 13 percent of the Nation's lands and about a third of its minerals

and soils. We manage these lands under the dual framework of multiple use and sustainable yield, which is a mandate from Congress, which hits its 40th anniversary this year.

Our professionals throughout the country, but particularly in the West, have very hard choices to make every day, and they work diligently to make sure that the public has a serious role and voice in the work that we do. We are proud to play a major role in the Nation's economy supporting oil and gas development, all kinds of recreation, ranching, hunting and fishing, helium production, forest management, wildland firefighting. We even have weather stations, and we work with reindeer herders in Alaska. We do a little bit of everything.

The Agency in total helped support more than 450,000 jobs last year. Additionally, we are one of only a handful of agencies in the entire government that brings back more revenue than we receive in appropriations. In fact, for every dollar that you provide to us, we return about five.

Now, I want to highlight a few areas from our budget, and I will move quickly through these, but I will start with greater Sage-grouse. This one is for you, Mark. [Laughter.]

Mr. AMODEI. Thank you, Neil.

Mr. KORNZE. The BLM has made great strides in the past year helping to lead a West-wide effort with governors from 11 States to strengthen management of Sage-grouse habitat and avoid the need for listing by the U.S. Fish and Wildlife Service. But our work is far from done. The President's budget asks for a \$14 million increase over the \$60 million that you were very kind and gracious to support us with last year. We very much appreciate it.

We are expanding our BLM conservation efforts partially through the work on a national seed strategy. And the basic idea there is, getting the right seed to the right place at the right time. Too often we have situations where maybe in Burley, Idaho they need to restore some lands, but they're sourcing seed from eastern Montana or northern Washington State. We need to have more seed growers, more diversity than what we're offering so that we can come back and come back stronger. Collectively, with these requests, the BLM's resources dedicated to Sage-grouse conservation will total \$79 million in Fiscal Year 2017, and represent a critical investment in Western communities and Western values.

Now, on the energy front, the Oil and Gas Program at the BLM is performing very well. Industry currently has nearly 4 years' worth of permits in their hands that they could use today. Many people will tell you that there's efforts afoot to slow down oil and gas development in this country on behalf of agencies like the one that I have the privilege to lead. But we have 4 years of permits that we've been working very hard on. The backlog is coming down. The front log is growing. We put 4 million acres of lands available out for lease last year. Industry picked upon only 15 percent of those lands.

Now, at the same time we have a great responsibility to ensure that these oil and gas operations are carried out responsibly. There's a proposal this year as it was last year in the budget ask for permanent support for an inspection program. We have about 160 inspectors in this Nation. We need, about 220. Having the type

of support for a permanent program would be essential to achieving many of the goals, not just in inspection, but around our larger oil and gas program. I was in front of the authorizers yesterday and had a good discussion about this issue, and I appreciate your support and hope that we can get this done this year.

National Conservation Lands are another highlight of our budget, and I do want to thank you for the \$5 million increase that you put into last year's budget. These are lands in the Nation that people are very excited about. So over the last 20 years or so, the BLM has been the face of conservation in terms of action that Congress has taken and action that the President has taken.

We have nearly 900 conservation units across the country. These are places where visitation is heavy. People are excited to go there. They are excited to have them near their communities, and it's we think part of the best of what we have as a Nation, so we appreciate your support for that program. And this year we're asking for \$50 million in support, which really is for the basics.

We want to have an assigned manager, a full-time staff for each of the major units, National Conservation Areas and National Monuments. That's step one in addition to all the other responsibilities we have in these areas.

Wild Horses and Burros is another hot topic for us and very important for us to figure out the right next steps. In short, we have the recommended total population around the West which should be just under 30,000 horses. We have about 60,000 horses on the range today, and we have another 50,000 horses that we have removed and are in pastures or corrals.

Now, when those horses get removed, we spend up to \$50,000 on that horse over the course of its lifetime. I think there are some opportunities for us to be creative, potentially looking at tax credits or other programs to incentivize adoption. But a specific proposal we have in this year's budget is in relation to our productive relationship with the Border Patrol. I've actually been to the border, had two or three rangers come up on formerly wild horses and burros, and visited with those folks. And you can see the freeze brand. And we send about 30 horses to the Border Patrol each year.

But they cannot accept them as an Agency. The individual rangers have to adopt them in their personal capacity. And also, we are still, because of the way the Wild Horse and Burro Act is written, we have to go back and check on them. We have to second-guess the Border Patrol's management and care for those horses. We'd like to change that, so we have a proposal that we're looking for your concurrence in allowing us to convey directly horses to other Federal, State, and local agencies that have a need for workhorses, and would use them, you know, for those purposes.

So we're trying to take a small step forward, but look for other conversations. You know, we're also heavily engaged in research, looking at spay and neuter, looking at long-term birth control efforts.

Lastly, I'll mention two other legislative pieces. One is the BLM Foundation. Congressman Lowenthal and the ranking member were leaders in putting in legislation just a few days ago to make that a reality. And we appreciate that support very much, and we hope that we can gather some more support and get some momen-

tum behind that legislation. I think we can make some important differences in some of the bigger programs that people care about within the Bureau of Land Management.

And I will tell you, yesterday at my hearing with the authorizers, I got a number of questions about land disposal. And we have had a proposal in the budget for a few years for a very poorly named act, the Federal Land Transaction Facilitation Act, or FLTFA. Basically what this does is allows us to take lands that are sold, capture that revenue partially for conservation inside the State where it's sold, but also to have a source of revenue to work on future land sales. So it's a win-win for all parties, and we would be very excited to see that reenacted and stood up within this year's Congress.

I appreciate your time. This committee has been wonderful to work with, and I look forward to your questions.

[The statement of Director Kornze follows:]

**Statement of Neil G. Kornze, Director
Bureau of Land Management, U.S. Department of the Interior
House Appropriations Committee
Subcommittee on Interior, Environment, and Related Agencies
FY 2017 Budget Request for the Bureau of Land Management**

Mr. Chairman and Members of the Subcommittee, thank you for inviting me to make a statement on the President's Fiscal Year 2017 budget request for the Bureau of Land Management.

Introduction

The BLM manages nearly 250 million acres of land and 700 million acres of subsurface estate. That's more than 10 percent of the Nation's surface and nearly a third of its minerals. We manage these lands under the dual framework of multiple use and sustained yield. This means thoughtful development in the right places to drive economic opportunities for local communities while protecting natural, cultural and historic areas that are simply too special to develop.

While broadly speaking, the BLM's mission has not changed in the 40 years since Congress passed the Federal Land Policy and Management Act, carrying out that mission has grown ever more complex. As a result, the BLM has opened a new chapter in how the national public lands are managed on behalf of the American people. While maintaining a local focus, the BLM is working on a landscape-scale to successfully address complex regional challenges. For instance, the BLM has undertaken unprecedented efforts to conserve Greater Sage-grouse; to devise new approaches to prevent and respond to wildfire; to make land-use planning efforts more timely, science-driven and adaptable; and to promote responsible energy development on public lands while also managing for a wide range of other uses.

The BLM's work contributes significantly to the economic and financial health of the country and to the States where BLM lands and resources are found. For example, activities associated with BLM-managed lands and minerals contributed an estimated \$114 billion to the Nation's economic output, supporting nearly 450,000 jobs, in FY 2014. And, while the BLM receives just over \$1.0 billion in annual discretionary appropriations to support programs nationwide, this work has contributed to the collection and distribution of more than \$5.0 billion to the U.S. Treasury and to State and local governments in recent years.

BLM Budget Request

The FY 2017 budget requests \$1.3 billion for BLM operations and activities, more than \$7 million above the BLM's FY 2016 enacted level. The budget proposes \$1.1 billion for the Management of Lands and Resources appropriation, an increase of \$2.9 million above the 2016 enacted level. The change in total program resources from 2016 to 2017 is somewhat larger, as the budget proposes offsetting user fees in the Rangeland Management and Oil and Gas Management programs which reduce requested funds by \$64.5 million. The budget requests \$107.0 million for the Oregon and California Grant Lands appropriation. The budget also proposes \$44.0 million in discretionary funding for Land Acquisition, to complement \$44.8 million proposed in mandatory Land Acquisition funding.

The BLM FY 2017 budget request positions this agency for success by further strengthening the Administration's commitment in the following areas:

- § Restoring the sage-steppe ecosystem;
- § Promoting responsible energy development and modernizing regulations;
- § Supporting BLM's National Conservation Lands;
- § Better managing the unsustainable growth of the wild horse and burro populations on Western public lands; and
- § Permanently funding the Land and Water Conservation Fund.

Restoring the Sage-Steppe Ecosystem:

The FY 2017 budget proposal demonstrates the BLM's continued commitment to restoring the sage-steppe ecosystem. This financial commitment, a key element of the Greater Sage-grouse conservation effort, began in 2013 when the BLM included \$15.0 million in its Operating Plan to begin a multi-year effort of implementing broad-scale sage-grouse planning and conservation activities. This initial investment paid off: In 2015, the BLM's update of almost 70 land use plans in 10 western States was integral to giving the U.S. Fish and Wildlife Service (FWS) confidence that listing the Greater Sage-grouse under the Endangered Species Act is not necessary at this time.

But the BLM's work is not done. The 2017 budget includes a program increase of \$14.2 million within Wildlife Management for sage grouse protection, primarily to support more on-the-ground vegetative treatments to protect, improve, or restore sage steppe habitat. Funds also will assist States in implementing the Greater Sage-grouse conservation plans. Integral to the success of BLM's Greater-Sage grouse conservation efforts is a \$5.0 million requested increase to support implementation of the recently released National Seed Strategy. With these two requests, BLM's resources dedicated to protecting and restoring sage-grouse habitat will total \$79.2 million.

The Greater Sage-grouse conservation effort, of which the BLM is an integral part, has significantly reduced threats to the bird across 90 percent of its breeding habitat through the sustained collaboration among private stakeholders and local, State, and Federal partners. Moreover, the FWS determination and the conservation mechanisms in place help provide the regulatory certainty needed for sustainable economic development across millions of acres of Federal and private lands throughout the western United States. In parallel with these efforts, the BLM began to use a new tool in April – the Fire and Invasives Assessment Tool (FIAT) – to prioritize efforts to prevent and suppress wildfires in sage-grouse habitat in the Great Basin. These efforts are equally important because in the Great Basin, which encompasses most of Nevada and parts of Utah, Oregon, Idaho, and California, there are 17 million acres of sage-grouse habitat at risk of loss due to changing climate, drought, wildfire, and invasive grasses. The BLM manages about 13 million of those acres.

Promoting Responsible Energy Development and Modernizing Regulations:

The safe and effective management of the BLM Oil and Gas Program continues to be an Administration priority as noted by this budget's continued strong support for further strengthening the management of onshore oil and gas development. The current measurement

regulations, which underpin collection of revenue owed to the taxpayer, date to the late 1980s and must be updated to reflect advancements in measurement technology, industry standards and practices, and applicable legal requirements that have taken place since promulgation of the original regulations. The recently finalized hydraulic fracturing rule along with the methane waste prevention rule currently under development will help protect the health and safety of the public and the environment while also preventing the waste of valuable taxpayer-owned resources. The 2017 budget request includes a program increase of \$15.2 million to support implementation of these rules and regulations and to complete modernization of BLM's Automated Fluid Minerals Support System. Both the regulatory and oversight reforms and the technology investments address recent Government Accountability Office (GAO) and Office of Inspector General (OIG) audit recommendations to improve program oversight, better account for revenues, increase efficiency and protect natural resources. The budget also includes a program increase of \$2.6 million for oil and gas special pay costs to improve BLM's ability to recruit and retain high caliber oil and gas program staff essential to BLM's ability to provide effective oversight and meet workload and industry demand. The budget request includes an increase of \$2.8 million to enhance BLM's capability to address high-priority legacy wells that pose environmental hazards in the National Petroleum Reserve-Alaska. These legacy well cleanup funds supplement permanent mandatory funds provided by the Helium Stewardship Act of 2013.

As with prior budget requests, the 2017 budget continues to request authority to charge onshore inspection fees similar to those already in place for offshore oil and gas inspections. Such authority will reduce the net cost to taxpayers of operating BLM's oil and gas program and allow the BLM to be more responsive to industry demand and increased inspection workload in the future while reducing the need for current discretionary appropriations that could otherwise be directed toward other priority programs. This proposed fee would bring onshore oil and gas inspections and oversight in line with offshore oil and gas management, where inspection and related activities are funded through precisely the type of operator fee the BLM is proposing.

The BLM continues its national leadership role in the production of clean, American-made renewable energy. In 2015, the BLM approved five solar energy projects that, if fully built, will bring an additional 977 megawatts of electric generation capacity online with the potential to create approximately 5,600 construction and operations jobs. In addition, the BLM approved six transmission projects to help unlock wind and solar resources that cannot be currently accessed due to lack of infrastructure to bring energy to the grid. Among those are the SunZia transmission project in Arizona and New Mexico that has the potential to add up to 3,000 megawatts of renewable electrical capacity in the Southwest. These approvals put the BLM 75 percent of the way to the President's Climate Action Plan goal of approving projects that will generate 20,000 megawatts of renewable energy by 2020. The BLM also made progress developing a competitive leasing process to help spur solar and wind energy development on public lands. The proposed regulations will enable the agency to better manage development of these renewable energy sources, improving efficiency for developers while providing reassurance that lands not suitable for development will be protected.

The BLM budget request maintains funding for Renewable Energy at essentially the 2016 enacted level, providing the BLM with the necessary resources to continue to aggressively

facilitate and support solar, wind, and geothermal energy development and the important capital investments they represent. A top program priority is the continued implementation of the Western Solar Plan, which covers six western States and provides for a more efficient and predictable permitting process by focusing development in solar energy zones with the highest resource potential and fewest conflicts. Evidence of the value of these zones can be found in the three new projects in the Dry Lake Solar Energy Zone in Nevada that were approved in 2015.

Federal coal resources will continue to be an important component of the Nation's energy mix. BLM has a responsibility to all Americans to ensure the coal resources it manages are administered in a responsible way to help meet our energy needs while ensuring taxpayers receive a fair return for the sale of these public resources. As a result of comments expressed during the five listening sessions held in 2015 and recommendations from OIG/GAO audits, in January 2016, the Secretary issued a Secretarial Order that places a pause on new leasing under the program (with certain limited exceptions) until the BLM completes a full programmatic review of the program. A programmatic environmental impact statement will provide a vehicle to undertake a comprehensive review of the Federal coal program and consider whether and how the program may be improved and modernized to foster the orderly development of BLM administered coal on Federal lands while considering the impact on important stewardship values and ensuring a fair return to the American public.

Supporting the BLM's National Conservation Lands:

In 2017, the BLM requests a significant funding increase for the National Conservation Lands, which comprise 30 million acres of the most ecologically rich and culturally significant lands managed by the bureau. The National Conservation Lands contain some of the West's most spectacular landscapes. They include mountains, valleys, islands, and forests where Americans hunt and fish, hike, paddle, and ski. American history is preserved within the National Conservation Lands through their unique cultural, ecological and scientific values. These special places are engines for economic growth, attracting visitors and new residents to some of the fastest growing corners of the West. In 2014, 61 million recreational visits to the national public lands generated an estimated \$5.5 billion in economic output, and supported almost 42,000 jobs. A third of those visits were to areas designated as National Conservation Lands. Because of BLM's strong track record of managing these lands, the President has designated or expanded 10 national monuments on lands managed by the BLM since 2009, adding millions of acres to the BLM's National Conservation Lands. In fact, the BLM led all Federal land management agencies in the number of acres designated as national monuments. Furthermore, since 2000, nearly two-thirds of Congressional wilderness designations have been on BLM-managed lands. The President's FY 2017 budget request for the National Conservation Lands includes a \$13.7 million program increase, bringing the total funding for the program to \$50.6 million. This investment will address high-priority on-the-ground needs of these new and existing national monuments and national conservation areas, including developing management plans for recently designated units, and developing and implementing travel management plans for high-use areas.

Collaboratively Managing Wild Horses & Burros:

One of the BLM's most challenging responsibilities is management of the Wild Horse and Burro program. These animals have an incredible reproductive rate -- nearly 20 percent herd growth

per year, every year -- and virtually no natural predators. Exacerbating the problems related to population growth, over the last 10 years adoption rates for wild horses and burros have dropped nearly 70 percent -- in the early 2000's, the BLM was able to adopt out nearly 8,000 horses each year; more recently, the annual adoption totals have been closer to 2,600 per year. Because of the extraordinary growth rate of wild horse and burro herds, as well as the dramatic reduction in adoption rates, the BLM is now managing more than twice as many horses on the western rangelands as is recommended for a healthy balance between horses, wildlife, cattle and other resources. Nearly the same number of horses -- around 47,000 -- have already been removed from the rangelands due to the harmful effects of overpopulation on the health of both the animals and the rangelands. These off-range animals are now being fed and cared for on leased pastures or in corrals. Horses that are removed from the range but remain in the care of the agency typically cost the American taxpayer nearly \$50,000 per animal over the animal's lifetime; put simply, the costs of this program are substantial and unsustainable.

To reduce the need for off-range pastures and corrals, the BLM is broadening its efforts to increase adoptions, including seeking new authority to more efficiently transfer animals to local, State, and other Federal agencies that use them for official purposes. For instance, the U.S. Border Patrol has adopted nearly 300 horses over the past decade. While contraceptive birth control methods currently in use can be improved upon, given the severity of the current situation, BLM is committed to taking more aggressive action to expand their use, as well as the application of spay and neuter treatments. Much of this direct action will begin in 2016, and will continue to be supported by the agency's on-going general research efforts to improve the available tools for population control. For example, the BLM will continue working with leading university and U.S. Geological Survey scientists to better refine its population growth suppression methods and overall herd management techniques. The BLM has also made significant progress in ensuring the humane treatment of wild horses and burros, including ongoing work to strengthen its comprehensive animal welfare program.

Permanently Funding the Land and Water Conservation Fund:

The Department of the Interior will submit a legislative proposal to authorize permanent annual funding, without further appropriation or fiscal year limitation, for the Land and Water Conservation Fund, the innovative, highly successful program that reinvests royalties from offshore oil and gas activities into public lands across the Nation. The 2017 budget also includes increases for programs funded through the Land and Water Conservation Fund, a vital component of the America's Great Outdoors initiative. The 2017 budget proposal includes a total of \$88.8 million for conservation land acquisition from willing sellers, including \$44.0 million in requested discretionary appropriations and \$44.8 million in mandatory funding. The 2017 total is a \$50.1 million increase over the 2016 enacted level and demonstrates a continued commitment to improve access for sportsmen, hunters, and recreation, while also conserving America's important landscapes for future generations.

Other Priority Initiatives:

The budget includes a \$4.3 million program increase within Resource Management Planning to expand BLM's Assessment, Inventory, and Monitoring (AIM) strategy, which provides the framework for consistent data collection and is central to meeting commitments outlined in the Greater Sage-grouse land use plans and Secretary Jewell's landscape mitigation strategy. The

request also includes a \$6.9 million increase to support implementation of the BLM's geospatial (GIS) strategy. An increase of \$5.7 million is requested for high priority planning efforts.

Finally, the budget proposes a grazing administration fee of \$2.50 per animal unit month to generate \$16.5 million in 2017 which would offset a reduction of \$16.5 million in requested appropriations for the Rangeland Management program. The BLM manages livestock grazing on 155 million acres and administers nearly 18,000 permits and leases held by ranchers who graze their livestock at least part of the year on more than 21,000 allotments under BLM management. In 2015, the program spent \$36.2 million on grazing administration and collected \$13.5 million in grazing fees, almost all of which goes back to local counties and to range improvements. None is returned directly to the BLM to administer the grazing program.

Legislative Proposals

Establishing a BLM Foundation – The budget request includes a legislative proposal to establish a congressionally chartered non-profit foundation for the BLM. A foundation would strengthen the BLM's efforts to link Americans to their public lands through an organization that would raise and spend private funds and foster constructive partnerships in support of the BLM's mission. The foundation would operate in a manner similar to the National Park Foundation, the National Fish and Wildlife Foundation, and the National Forest Foundation, all of which were approved by Congress.

Oil and Gas Management Reforms – The Administration proposes a package of legislative reforms to bolster and backstop administrative actions being taken to strengthen the management of Interior's onshore and offshore oil and gas programs. These actions are focused on improving the return to taxpayers from the leasing of these Federal resources and on improving transparency and oversight. Proposed statutory and administrative changes fall into three general categories: advancing royalty reforms, encouraging diligent development of oil and gas leases, and improving revenue collection processes.

Royalty reforms include evaluating minimum royalty rates for oil, gas, and similar products; adjust the onshore royalty rate; analyzing a price-based tiered royalty rate; and repealing legislatively mandated royalty relief. Diligent development requirements include shorter primary lease terms, stricter enforcement of lease terms, and monetary incentives to get leases into production, for example, through a new per-acre fee on nonproducing leases. Revenue collection improvements include simplification of the royalty valuation process and permanent repeal of Interior's authority to accept in-kind royalty payments.

Hardrock Mining Reform – The 2017 budget includes two legislative proposals to reform hardrock mining on public and private lands by addressing abandoned mine land hazards and providing a better return to the taxpayer from hardrock mineral production on public lands. The first component of this reform addresses abandoned hardrock mines across the country through a new Abandoned Mine Lands fee on hardrock mineral production. The second legislative proposal institutes a leasing process under the Mineral Leasing Act of 1920 for certain minerals – gold, silver, lead, zinc, copper, uranium, and molybdenum – currently covered by the General Mining Law of 1872. Under this proposal, mining for these metals on Federal lands would be

governed by the new leasing process and subject to annual rental payments and a royalty of not less than five percent of gross proceeds.

Recreation Fee Program – The budget proposes legislation to permanently authorize the Federal Lands Recreation Enhancement Act, which will expire on September 30, 2017. The budget also proposes appropriations language to extend authorization of FLREA through September 30, 2018. The BLM collected \$21.8 million in recreation fees in 2015 under this authority and uses them to enhance the visitor experience at recreation facilities. These funds represent a significant portion of all the resources the BLM has to devote to supporting recreational activities on public lands.

Reauthorize the Federal Land Transaction Facilitation Act (FLTFA) – The 2017 budget proposes to reauthorize the Act, which expired in July 2011, to allow lands identified as suitable for disposal in recent land use plans to be sold using the FLTFA authority. The sale revenues would continue to be used to fund the acquisition of environmentally sensitive lands and to cover the administrative costs associated with conducting sales. Utilization of the FLTFA authority would help simplify the land ownership patterns of the American West, promoting both conservation and community development goals.

Conclusion

The President's FY 2017 budget request for the BLM provides sustainable benefits across the West and for the Nation as a whole. It protects unique wildlife habitat and ecosystem functions that are also essential sources for clean water, clean air, carbon sequestration, nutrient cycling and cultural preservation; strengthens oversight of onshore oil and gas development while providing increased efficiencies in developing these economic resources; and maintains working landscapes for grazing, timber and recreation. I am incredibly proud of the work done by BLM employees every day to ensure the agency is engaging with and listening to our partners and the communities we serve. I look forward to continuing our close partnership with this subcommittee as we strive to provide BLM's professionals with the tools and resources they need to succeed and to make our public lands an even larger contributor to the success of communities across the United States.

Thank you for the opportunity to present this testimony.

BLM Director Neil Kornze

Neil Kornze was confirmed as the Director of the Bureau of Land Management in 2014. Previously, Kornze was the BLM's Acting Deputy Director for Policy and Programs and Senior Advisor to the Director. In these roles, he worked on a broad range of issues, including renewable and conventional energy development, transmission siting, and conservation policy. He has also been active in tribal consultation, especially as it relates to oil and gas and renewable energy development.

Before coming to the Bureau of Land Management, Kornze worked as a Senior Advisor to U.S. Senate Majority Leader Harry Reid of Nevada from 2003 to 2011, where he worked on a variety of public lands issues, including renewable energy development, mining, water, outdoor recreation, rural development, and wildlife. Kornze has also served as an international election observer in Macedonia, the Ukraine, and Georgia.

Raised in Elko, NV, Kornze is a Phi Beta Kappa graduate with a bachelor's degree in Politics from Whitman College, and a master's degree in International Relations at the London School of Economics.

SAGE-GROUSE

Mr. CALVERT. I thank you for coming out today, Mr. Kornze, and let us just start off, since you brought it up first, I will bring it up, too, Sage-grouse. In the omnibus, Congress directed BLM to issue guidance to its State offices on how it will update Sage-grouse habitat maps, adopt new scientific information, and engage partners. I believe guidance would allay much of the unnecessary or uncertainty regarding how BLM will implement their resource management plans.

So the first question is, how or has BLM issued any guidance.

Mr. KORNZE. We are working on a range of guidance. I believe we have 12 different guidance documents that you will see in the coming months. We are working closely with the Western Governors Association Sage-Grouse Task Force and others to make sure that we are getting the right eyes on and thoughts into those documents. So we will be moving aggressively over the next 3 months or so to make sure that those are all issued.

Mr. CALVERT. How about these maps, the Sage-grouse habitat maps? Have you updated those maps? Are you working with the States, too?

Mr. KORNZE. We are absolutely working with the States. So in the case of the State of Nevada, the Congressman from my hometown is sitting to my left. The State of Nevada is working with the USGS to update their map. Mr. Coats, I think, is leading that effort. And so, we have received a sort of high-level version of that map, but we do not have the GIS layers yet. So we are using it to the degree that we can, but looking forward to the formal updated version.

Mr. CALVERT. Well, as you know, we put a significant increase in dollars in your budget because for the reason we do not want this species listed. We do not want to have you coming to us later on and say there is some reason we have to do this. We want to do everything we can to make sure that that does not happen.

With that, Ms. McCollum.

CHALLENGE COST SHARE

Ms. MCCOLLUM. Thank you, Mr. Chair. Thank you for the recognition of Mr. Lowenthal and I having a bill to authorize the Foundation for the BLM.

But I have to say I was disappointed that the budget proposes to eliminate the Challenge Cost Share Program.

This program is in place right now to allow BLM to partner with local organizations, to do on-the-ground habitat, recreation, and cultural resources work. Can you tell us why this program is scheduled to be eliminated? The leverage of private funds to help engage the public and the work that you do is very important.

VENTING AND FLARING

The other question I have is on the oil and gas rule. The Administration on January 22nd proposed a rule that would limit the rate of flaring at oil wells on public and tribal lands. In addition, the proposed rule would modify the existing royalty rate and provisions to better align BLM's authority and to enhance flexibility, but the

rule would not raise royalty rates. So I think of it as a common-sense regulation.

I did share with this committee a year ago, maybe some of you remember, a satellite photo that showed lights flaring from the Bakken fields that were almost as bright or brighter than the entire Twin Cities metropolitan area. So I think these regulations are needed.

Could you talk about the Challenge Cost Share Program, what you are hearing from industry, and what you expect this rule on the flaring to be able to accomplish for us? Thank you, Mr. Chairman.

Mr. KORNZE. You bet. So the Challenge Cost Share, that really comes down to hard choices. Over the last 5 years or so, we have lost about 12 percent of our full-time equivalent positions in the Agency, so we are stretched. And part of that is because the Wild Horse and Burro budget has doubled in size, right? It is literally being eaten. We are spending more than \$50 million a year on housing the horses that have been taken off the range, so that is why that is such an important issue to get our arms around.

CHALLENGE COST-SHARE

In terms of Challenge Cost Share, it is very productive. When we can put money into that, it pays dividends. But at this point we have so many needs in terms of Sage-grouse, and improving our energy programs, and modernizing, really trying to take a leap forward with the Agency and bring it forward. And even, you know, sort of eclipse perhaps some of our partner agencies in getting information out there and emphasizing the ability to access the public lands. So that's on that one.

VENTING AND FLARING

On venting and flaring, the core issue there is that, you know, we have more than hundred thousand oil and gas wells on public lands. Nearly 400 million dollars' worth of gas is wasted each year through venting, through flaring. So some States like North Dakota, Colorado, and Wyoming have started to step in to this space, and we have been working to have regulations that work with theirs and build on their strengths, and to make sure that we are sending this energy into a productive pathway. It is enough energy if harnessed to power 5 million different homes, so it is pretty significant, and we feel like it needs action.

There is a royalty provision in that regulation which would essentially take off the handcuffs of future secretaries, so it is unlikely that this Secretary would be able to use it. But currently we are locked at 12 and half percent as a ceiling by regulation, and so this would allow future Secretaries to look at current economic conditions and figure out if there is a reason to adjust up or down. Prior to 1988, the Secretary had the ability to do that, and there were often royalties on a sliding scale based on production.

Ms. MCCOLLUM. Thank you. Thank you, Mr. Chair.

Mr. CALVERT. Thank you. Mr. Simpson.

Mr. SIMPSON. Thank you. I understand that. I mean, wild horses and burros, that has been a problem forever. I was under the impression that when Jefferson did the Louisiana Purchase, he want-

ed to include Nevada because he said that is a place we are going to need to put wild horses and burros eventually, but maybe I was wrong on that. [Laughter.]

I am just kidding.

Voice. You are mistaken.

STEENS MOUNTAIN COOPERATIVE MANAGEMENT AND PROTECTION
AREA FENCE

Mr. SIMPSON. Yeah, I am mistaken. First of all, I understand there is an issue that deals with the Steens wilderness and fencing that you have been looking at, and are going to address Congressman Walden's issue dealing with the ranchers and the fencing out there. Is that correct?

Mr. KORNZE. We have been in touch with Congressman Walden just this morning, and are working on the NEPA process to complete that action and set aside the money to work on the fence project.

SAGE-GROUSE

Mr. SIMPSON. Good. Thank you. Let me talk for just a minute about Sage-grouse and focal areas because as I talked to governors, at least my governor, and people who worked on the Sage-grouse plans and other things for the States, you always come to the focal areas, that these were thrown in on top of these State plans that they have been working on and that they knew nothing about them, et cetera, et cetera, et cetera.

I have heard a different take on it. The original plans that Fish and Wildlife came up with had no disturbance areas, and they were pretty large areas, and BLM said we are going to have a problem with this. And Fish and Wildlife went back and reduced those areas down to the high priority areas that they call focal areas. So they are a portion of what would have been a much larger no disturbance area. Is that an accurate statement?

Mr. KORNZE. That is roughly accurate, yes. The Fish and Wildlife Service, we sat down with them and they had very broad visions of potentially withdrawing all lands from Sage-grouse. And we knew that probably was not a viable path forward, so we encouraged them to think on a refined basis. And they came forward with the focal areas that we have now.

Mr. SIMPSON. How do focal areas impact grazing?

Mr. KORNZE. Focal areas, they do not impact grazing in terms of changed standards. What we are doing is in our grazing program we have a great need for support there because we have 18,000 permits nationwide. 6,000 of those are in backlog status, right? So what we have to do is we have to prioritize, and what our sage-grouse plans say is that the focal areas will get priority. That is essentially what it is.

Mr. SIMPSON. How do the priority habitat management areas impact grazing, and also the general management areas?

Mr. KORNZE. So similarly, we are looking at them as a tiered process, so you start in the focal areas. You head to the broader priority habitat, and then you go to the general. So a lot of what comes out of the Sage-grouse plans is that rather than looking at

the landscape all the same, we now have a way to delineate priorities based on landscape.

Mr. SIMPSON. I have got county commissioners and so forth and some ranchers that have said that they are going to lose 40 or 50 percent of their grazing lands, with this sage-grouse proposal. Is that accurate?

Mr. KORNZE. I do not think it will be. We have heard some concern from the cattle industry, and so one of the things you are going to see from us in a few months is we are going to have workshops in the western States where we are going to sit down with the grazing community and talk through exactly how this works. I think it is very workable and, frankly, we spent a great deal of time in the finalization steps of the plan making sure that the grazing piece in particular was going to work for western communities.

GRAZING ADMINISTRATION FEE

Mr. SIMPSON. As far as the proposed increase that both you and the Forest Service have, the \$2.50 administration fee for AUM, and the potential fee to go up the maximum of 25 percent, that has been proposed before, and the committee has rejected it. You know, as I talk to cattlemen, they understand that the AUM price needs to go up, that there ought to be an increase in that. What they would like to see and have repeatedly stated is they would like see is, you know, a 5-year, 10-year plan of how we are going to increase so it is a gradual sort of increase instead of a potential doubling overnight of the fee.

So far, nobody has ever come back to us with a gradual sort of increase in fees, and I would encourage the Administration to give us something along those lines that we could look at with Resources Committee. So there is a gradual, predictable increase in AUM fees because most ranchers understand that it has been where it currently is, and that naturally it needs to go up. And I think the cattle industry agrees with that.

EASTERN SNAKE PLAN AQUIFER

One last issue. Have you been in contact at all with the State of Idaho relative to recharging the Snake River aquifer?

Mr. KORNZE. I am not aware of that issue.

Mr. SIMPSON. They are just starting, and I did not know if they got to the BLM yet. They have been talking to the BOR, and they are going to put forth a recharge plan. And it is not fully settled yet, so I would not expect them to have anything that you could actually look at yet.

But recharge areas are going to cross BLM grounds. There are issues of rights-of-ways on canals that are going to go through BLM property, and that go through there now. But they are used for irrigation purposes and those types of activities.

But I told them that they need to get in touch with the BLM and with BOR and start working so that they can have a plan that we can look at because I would like to recharge the aquifer that is going down substantially. And there are periods of time when we have excess water that we just flush down the river now because it is just there, and it would be nice to recharge that aquifer.

But I would encourage you and your office to work with the State of Idaho and with our office in developing some plans that might work.

Mr. KORNZE. I will be happy to look into that.

Mr. SIMPSON. Thank you.

GRAZING ADMINISTRATION FEE

Mr. KORNZE. And one note on the grazing issue. I appreciate the invitation for a broader conversation. I think part of what we struggle with is that, with the system having so many strains on it with a third of the permits being in backlog status. Part of that comes from the fact that the grazing fee goes 50 percent back to the county where it was raised, and 50 percent is range improvements. Zero dollars go to supporting the grazing program.

Mr. SIMPSON. Right.

Mr. KORNZE. So I think there are a lot of pieces that need to be examined.

Mr. SIMPSON. Well, we ought to look at that whole program.

Mr. KORNZE. Absolutely.

Mr. SIMPSON. Yeah, thank you.

Mr. KORNZE. Thank you.

Mr. CALVERT. Thank you. Mr. Israel.

WILD HORSES AND BURROS

Mr. ISRAEL. Thank you, Mr. Chairman. Thank you, Director.

Director, the President's budget includes a proposal to make it easier for the Department of Interior to transfer wild horses to local, and State, and other Federal agencies to be used as work animals. I am concerned that if the proposal is not effectively implemented, it will simply make it easier for those horses to ultimately be sent to slaughter. And I would appreciate it if you would tell us what safeguards will be instituted so that we know that these horses will remain safe.

Mr. KORNZE. So when folks adopt horses right now, they have to sign a contract with us that indicates their intention and commitment to not send that horse to be slaughtered or go into products related to that. So we could work out something similar with these agencies, or if Congress wanted to insert language that would make that a requirement, we would welcome it.

Mr. ISRAEL. The proposal as it is currently constructed does not have that requirement?

Mr. KORNZE. Well, the proposal says that essentially if you are working with a trusted public agency and they are looking for a work animal, that we should be able to title that animal over.

Mr. ISRAEL. I want to make sure I understand this. So when somebody adopts a wild horse, as I understand what you just said, there is a requirement that they commit not to send that horse to slaughter. Are you saying that there is a distinction if the animal is transferred to a public agency, that requirement is not currently—

Mr. KORNZE. It is not in the current language, and we would be open to seeing that language.

Mr. ISRAEL. Thank you, Mr. Chairman. I appreciate it.

Mr. CALVERT. Thank you. Mr. Stewart.

COLLABORATIVE EFFORTS

Mr. STEWART. Thank you, Mr. Chairman, and, Director, thank you for many years of service I think the relationship that we have developed, we have had opportunities to work together on some things, and I thank you for that.

As we discussed yesterday, I think the prairie dog in southern Utah is a good example of some collaborative efforts, although we have had some hiccups along the way as a result of the lawsuit. We still expect to be able to work with you regardless of how that lawsuit may turn out on appeal. And as we discussed yesterday as well, we look forward to working with you on some of these issues in Washington County with the Resource Management Plan. We met with Mr. Ashe after our meeting, and I believe there is a pathway for us to have some success in addressing concerns of the local officials there as well.

So having said that, I am going to kind of shotgun this if we could because there are so many issues that we would like to discuss with you, and I will address them very quickly maybe, but some of them in a little more detail.

WILD HORSES AND BURROS

I appreciate you bringing up the horses and the burros which is, you know, an enormous concern in my district. And if you care about horses, you cannot look at these herds and feel good about the outcome for these animals. If you care about the range, you cannot look at this and feel good about the outcome-unhealthy herds and some of these horses are starving to death as you know, and it is destroying much of the range. So we appreciate your concern there, and I know you are sincere in that.

Now, I have a bill, it is several years old now, appropriately called the WHOA bill, Wild Horse Oversight Act, which deals with allowing some of the States to accept some control over these animals, maybe even transferring control of these animals to the States. States manage our deer populations. They manage elk. They manage turkey, you know. Why is the Federal government only and exclusively responsible for managing these wild horses and burros?

Would you support that act? And I know you do not have it before you, but I mean just in general principle, would you support the idea of the States having more control over these animals?

Mr. KORNZE. Well, I think it is an interesting issue, and I often explain to people there are three types of animals in this country. There is wildlife, which are regulated by governors. There are endangered and threatened species, which are regulated by the Fish and Wildlife Service. And then there are lot of horses and burros.

Mr. STEWART. And heaven knows these are not endangered, no.

Mr. KORNZE. Yeah. And then there are wild horses and burros, which land with the Bureau of Land Management. So I think it is an oddity that deserves to be looked at. Part of our effort with the language that we put forward this year is to see if we can eliminate the sense that working on wild horse and burro issues is a third rail of politics.

Mr. STEWART. Yeah.

Mr. KORNZE. I think there is a lot of commonality to be had between both sides of the aisle on this. So we welcome a conversation about the road ahead. I do not have that bill in front of me, so I cannot comment specifically.

Mr. STEWART. Yeah, but in general principle it is not something you would oppose.

Mr. KORNZE. We need more partners, States, other organizations, because we are overwhelmed at this point.

NATIONAL MONUMENT DESIGNATIONS

Mr. STEWART. Okay. Switching subjects quickly if I could, and that is, and I am going to repeat myself from yesterday a little bit, although I will do it more briefly. And I am not doing this because I do not have something to say. I am doing this because what I said is what I really believe.

And that is, you know, if you go to my district, as you and I have talked about many times, we talk to miners who are losing their jobs. We talk to teachers who are losing their jobs because their schools are dying, and the reason their schools are dying is because the families are leaving. It is not like people suddenly quit having kids. They are still having children, but the families are leaving because timber, mining, ranching, all of these, you know, these lifestyles, not just jobs, but actual lifestyles just do not exist any longer.

You talk to ranchers I have to elaborate on this just a little bit because I always remember this, meeting with a rancher. He is an older gentleman, you know, a humble man with a humble family. Shows us this piece of paper, as Mr. Simpson, I am losing 50 percent of my BLM grazing permits, and he is scared to death of the Federal government. You know, he is not a rebel. He is not going to go out and join some militia. But he is scared of the Federal government and does not know how to respond to that.

And finally a businessman who had a thriving business, and now their economy transitioned over to a tourist industry economy or tourist based. And now his business is only open 3 and half months a year. All of that, and this is the key, all of that because of one Federal decision to create a monument, and those are the impacts because of that. So, you know, as we have discussed, we are fearful of another monument being created in Utah without the input of those people who will be most affected by it.

I wonder if you would respond to that, if you could, your intentions on monuments in Utah. We know what Ms. Jewell said yesterday. I would be interested in what you think.

Mr. KORNZE. Well, I think monuments have an important place on the landscape. They have been hugely productive for a lot of communities, but it is important that those are done through a public conversation.

Mr. STEWART. And I appreciate that because that really is a key to this, having that, you know, local input. And it concerns me a little bit when we see outside groups who come in and claim to be local groups when they are not. And we have seen that with some of the tribal interests in this case as well as others.

And I will not describe to you why I am asking this question. It would take a little bit too long, so I will just ask the question and

let you respond to it. And that is, we have heard some, I do not want to say rumors, but some thought among some of how this potential monument would be managed. And my question to you is, would it be lawful to transfer management of a monument to an entity outside of the BLM, or would the BLM always have to claim management for that monument?

Mr. KORNZE. I do not know. Absent direction from Congress, I am not sure what authority we would have in that space, so I would have to look into the details of what you are putting forward here.

Mr. STEWART. I tell you what. Maybe I will follow up with you individually. But can we agree on this, that if the BLM were to designate or the Federal government were to designate a monument, the default position would be that BLM or some other government entity, Federal government entity, would manage that monument?

Mr. KORNZE. I am not aware of any situation in which it has been done otherwise.

Mr. STEWART. Otherwise, okay. Would you support in theory a situation where someone might, other than the Federal government, manage that monument?

Mr. KORNZE. We would need to be talking about something specific.

ALTON COAL MINE

Mr. STEWART. Okay, all right. We do not have a clock, Mr. Chairman. I am sorry. I will hit one very quickly, and then, Neil, ask you to respond, and that is we talked about this yesterday as well. We have this one mine who did a very good job in restoration and, you know, mitigating some of the impacts. And as a result of that, the Sage-grouse moved into an area where they did not exist before. And now because of the presence of Sage-grouse and because they did the responsible thing with restoration, you know, they are probably going to be shut down because Sage-grouse now exists. It is as we said, the most southern lek that we know.

What do I say to those guys? I mean, the perverse incentive there is ironic beyond my ability to say, well, congratulations you did a great job, and now you are going to reap the benefits of that. Help me understand what I should say to those folks.

Mr. KORNZE. Well, I think you are referring to the Alton Coal Mine.

Mr. STEWART. Yeah. Yeah.

Mr. KORNZE. And, yeah, this is a tough situation we have, you know. There are two serious hurdles to that project. One is the pause in the coal program for any project that does not currently have a record of decision unless you can fit it into various emergency categories. So that is one thing that we have discussed that can be looked at. The other is the fact that—

Mr. STEWART. And by the way as we discussed, we think we are okay on that. We think they would fit within the criteria of the emergency exception, which is good. But now we come to the second one.

Mr. KORNZE. The second one, which is as we work West-wide on Sage-grouse issues, you know, one of the key parts of the responsi-

bility of the Bureau of Land Management is we have multiple use and sustained yield. Those are the two core tenets that this Congress asked us to manage on. And part of the sustained yield is related to renewable resources, which include wildlife habitat.

And so, you know, during the course of my lifetime, greater Sagegrouse populations have dropped 40 percent. And so, somewhere that suggests that the BLM and others have perhaps not maintained that renewable resource of wildlife habitat to the degree it should be.

And so, as we went through our planning process and worked with States to identify the best habitat, one of the places that Utah said was the best habitat is this site. And it does, in fact, have the southernmost lek in the United States. And so, as you identified, you know, I think this presents a very hard situation for us to work through.

Mr. STEWART. And I appreciate what you are saying. I would just say in conclusion that this probably is not the only example or potential example where someone looks at this going, if we restore, if we create habitat, if we help to protect the species, well, there may be a negative outcome for us in doing that. And if that is the case, I hope we could consider that. So thank you.

And, Mr. Chairman, I yield back.

Mr. CALVERT. Thank you. Mr. Amodei.

Mr. AMODEI. Thank you, Mr. Chairman.

Voice. Microphone.

SILVER PEAK

Mr. AMODEI. Thank you, Mr. Chairman. Neil, thanks for your continued willingness to meet with us.

I am going to start out with a couple of things. I am not going to take the committee's time up, but I want to kind of highlight them for you because they will be coming to your staff.

We have got a situation in Nevada with the lithium property in Silver Peak that has got a little protest going on in terms of ownership and transfer. And there are some issues with respect to when that can happen and how that can happen that emanate through your solicitor's office in Sacramento that I am going to be asking you for a briefing for offline——

Mr. KORNZE. Okay.

PLANNING 2.0

Mr. AMODEI [continuing]. There is some stuff that we need some more facts on.

Also your Planning 2.0 effort is one that sends a lot of information out in terms of stuff that we learn from going through the resource management plan updates for the 11 States. We want to see where you are going on that. I have read what NACO puts out on it, and there are two sides to every story. So I would kind of like the other side on that if I could.

SAGE GROUSE

The final one briefing wise is the Secretary laid out a deal about science yesterday, and more money in Interior for science and stuff

like that. And so, I want to pass that on to you that we are concerned that a lot of the science about the Great Basin, as you well know, Sage hen crossroads of the West, the majority of the Great Basin, sagebrush steppe ecosystem. And every time I talk to the Desert Research Institute folks and the folks in the College of Agriculture at the University, and even sometimes NRCS, and even USGS, has anybody been talking about these chicken issues from Nevada. And while the director has said I am happy to work with them, I have not seen much of that. So I want to revisit that and go I am not telling you to do what the Nevada science says, but I think they ought to have a seat at the table when we are talking about this. So we would kind of like a briefing on that, and thank you guys for your willingness to do that.

I want to follow up on the focal area stuff real quick. In preparation for the hearing, we asked Fish, and the Forest Service, and you guys, where do the boundaries come from. And we did that about 60 days ago, and the only response we got was from the Forest Service, and I am quoting them, "Sagebrush focal boundaries were given to us by U.S. Fish and Wildlife Service." Were they given to you by the U.S. Fish and Wildlife Service?

Mr. KORNZE. All right. So a range of questions. I will work through them quickly.

Mr. AMODEL. No, no, the other ones I want briefings on.

Mr. KORNZE. Okay.

Mr. AMODEL. I do not want you to work on. Your first question is, the Forest Service said they got their sagebrush focal area boundaries over their real estate from Fish and Wildlife Service. Is that true for BLM?

Mr. KORNZE. Yes.

Mr. AMODEL. Okay.

Mr. KORNZE. So we asked the same question, and the Fish and Wildlife Service said we got our experts in the room, and this is the map that we came out with.

Mr. AMODEL. So it is fair to me, if I want to talk about how that got created and where the boundaries are, I need to talk to Dan Ashe about it.

Mr. KORNZE. That is right.

Mr. AMODEL. Okay, great. Thank you. I also want to touch on Secretary Jewell said, hey, I am talking with Governor Sandoval, which is a great thing, and I said, okay, so what is the framework for that. Do you have like secretarial discretion or whatever? And her answer, I think I heard her say is, well, he is kind of highlighting things for me, and I am passing them down to Neil, and they are going to John Ruhs, and there you go. And that Neil has specific authority under that stuff.

All well and good in my mind. But when we talk about things like maps that were brought up earlier, and it is like, okay, we got a new map that has a PJ and an urban overlay to it, and the RMP amendment process is not nimble. And I am not saying that critically. I am just saying it is as a historical observation. We do not amend those things every couple of years.

And when I first go out to the field and I am in three district offices, it is like so how do we account for the fact that the White Pine Public Lands Management Act has 15,000 acres—I believe

you had a hand in that—for economic development between Ely and McGill. And now we have got one of the iterations of map that says that is now chicken habitat.

It is like before we even get to well, this one was signed by the President and this one was signed by the Secretary, you know, it is like how do we react to those things because I got to pass a new law, lands law, which a lot of us are too old to probably see that come to fruition, go amend the RMPs, or one of them said, hey, I have got some discretion in that if I find it.

What is the guidance in terms of how these people react to things, and not that maps should get smaller because we know from instances over the summer that there are areas of habitat that were not marked that should be marked. And so, my concern is when you talk about real-time stuff, whether it is grazing, whether it is whatever, to amend those is not an easy process if we look historically. Anything new in the making for amending those?

Mr. KORNZE. So very quickly, and part of the mapping I think comes down to best available science.

Mr. AMODEI. Right.

Mr. KORNZE. So we wanted the best available information. We are excited to be working with the State and USGS on getting I think the now third iteration of the Nevada maps.

Mr. AMODEI. Right.

Mr. KORNZE. So and we are waiting for that to be peer reviewed, I understand is where it is at with the State of Nevada, which is why we only have a high level concept of what that map looks like right now.

The plans themselves are designed to have some flexibility in them, you know. So we have priority habitat. We have general habitat. But beyond that, there are pathways to development based on different criteria in the maps, including disturbance calculations. When it comes to, for instance, some of the issues that have been litigated in Nevada in White Plain County, you know, we have been able to work through the allowance in the plan to make certain steps possible.

PLANNING 2.0

And in terms of speed on amending the plans, Planning 2.0 is, you know, going to feel very obscure. We are looking to update our planning regulations. But BLM does not do anything without a plan underneath it, and those are taking way too long, and way too slow, and they are way too expensive.

So the concept here is we asked our team, we took some of our brightest people and put them in a room and said, figure out how to make this work better. And what they came back with was counterintuitive, but I think somewhat brilliant, which is they said, let us add a couple of extra steps into the process. They said, let us start by raising our hand and saying please bring your best information and your best science to the table so that we do not get surprised by somebody with information two-thirds of the way down the road and we have to start over, which happens a lot.

And the other piece is, you would have that information call. You would have your scoping meetings to talk about the big issues.

Then before we get to a draft plan, usually we go away. People do not hear much from us between the scoping meetings and a draft. We would have a halfway step where we would put out a simple, let us say, a 20-page document with some meetings where we would describe what we are thinking about doing.

Mr. AMODEL. If I might, I will get the rest of that offline, but I appreciate that.

Mr. KORNZE. You bet.

MINERALS EXAMINATION

Mr. AMODEL. Focal areas are going to require quite a bit of minerals examination I understand. The minerals examiner population in BLM is not impressive, and it is older than me, which there is "R" word "retirement." I would like to talk to you about that offline in terms of if we got 5,000 of these things to do and we have not got a lot of examiners and minerals examinations, I just kind of want to get a feeling for how that is going to go.

And with that, I think in view of how much fun we are having this morning, I will yield back and look forward to talking to you and your folks offline about that. Thank you, Mr. Chairman.

WILD HORSES AND BURROS

Mr. CALVERT. Thank you. I would just like to get back to wild horses and burros real quick. [Laughter.]

We spent a lot of time on this issue. We spay and neuter cats and dogs, and we certainly should be doing that with the horses and burros. Where are you at on that? Tell us where you are at.

Mr. KORNZE. Some of the research projects that we have stood up in the last few years are looking specifically at this. Spay and neuter is going to be very important. We do not have a drug right now that lasts more than 1 year, and we cannot touch all——

Mr. CALVERT. Well, there are things that you can do that permanent. [Laughter.]

Mr. KORNZE. Yeah, and that is why we have to look at that, right? So at some point maybe we have a drug that lasts for 5 years or is permanent. But right now we are going to have to look at spay and neuter in the short to medium term because it is really one of the only tools we have.

Mr. CALVERT. Well, I think that we ought to, I mean, not just look at it. I mean, have a broad approach to apply it in the field. Do you intend to do that?

Mr. KORNZE. It looks like we may be headed in that direction, you know, out of force of necessity.

Ms. MCCOLLUM. Mr. Chair, on this point, between the spaying and neutering, is one less expensive and is one quicker? You talk about both, so if one is quicker and less expensive to make a bigger dent in the population, should you just go with one of the forms of permanent birth control for a while?

Mr. KORNZE. That is a great question, and I want to come back to you with an answer in terms of speed and cost.

[The information follows:]

WILD HORSE AND BURROS

Neutering stallions is a quicker and less expensive procedure compared to spaying mares. Unfortunately, neutering alone would not be an effective means of controlling herd population growth unless most of the stallions in a herd were neutered. This would be hard to accomplish considering the difficulty of capturing an entire herd in expansive and often rugged terrain. The BLM believes that for effective population management of wild horse and burro herds, the BLM will need to use multiple population growth suppression tools on males and females as the conditions on the ground warrant.

Ms. MCCOLLUM. I think I might have an idea, but I will not be indelicate at the hearing. Thank you.

Mr. CALVERT. Yeah. Well, obviously we have an over population on the range, and Mr. Stewart brought out that this is not good for the horses, and it is certainly not good for the ranchers, and it is certainly not good for the environment. So I would think that is more of a permanent solution. If we can start moving in that direction, I think that we should get support for that.

Mr. KORNZE. And let me mention quickly that, you know, as I look at the \$50,000 per horse cost, I think there is room for creativity there, right? This is not the Ways and Means Committee, but I would imagine that someday I would hope Ways and Means or others would look at that and say maybe part of that \$50,000 could be used to incentivize adoptions. And a fair amount of money, whatever is left over after you pay that incentive would be savings to the U.S. government.

It would be good for the rangeland. It would be good for the folks that are adopting the horses. So I think there is a——

Mr. CALVERT. I think that is part of the solution. I think that is certainly worth looking into. But right now we need to stop, you know, the number of horses that are being born out on the range.

Any other comments or any other questions? I know we have a series of votes. And so, we appreciate your being here, and I am sure you will be hearing more from members individually.

With that, we are adjourned.

Mr. KORNZE. Thank you very much.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
FY17 Budget Hearing: Bureau of Land Management
March 3, 2016

Questions for the Record—Director of the Bureau of Land Management

Questions from Mr. Calvert

Sage-Grouse

BLM has requested a total of \$79,000,000 for sage-grouse conservation in FY 2017. The Committee requests additional information on how the Bureau spent the funds provided in the FY 2016 omnibus appropriations package and plans to allocate any funds that will be provided in FY 2017.

Calvert Q1: Please describe how FY 2016 funds were allocated by activity, such as conservation measure implementation, assessment, monitoring, travel management, and inventory.

Answer: As of March 21, 2016, the FY 2016 funds have been distributed as follows:

Category	Funding Source	Amount
Outreach, Training, Regional Support Teams, and Implementation Coordinators	Wildlife Management Program	\$9,752,000
Data Support & Disturbance Tracking	Wildlife Management Program	\$3,520,000
	Resource Management Planning (Assessment, Inventory, and Monitoring)	\$2,080,000
Monitoring and Land Health Assessments	Wildlife Management Program	\$4,180,000
	Resource Management Planning (Assessment, Inventory, and Monitoring)	\$5,920,000
Mineral Withdrawal Process*	Wildlife Management Program	\$10,600,000
Vegetation Treatments and Habitat Restoration	Wildlife Management Program	\$18,030,000
Travel and Transportation Plans	Wildlife Management Program	\$1,000,000
Wild Horse and Burro (Sagebrush Focal Areas) Gathers & Holding	Wildlife Management Program	\$2,500,000

Litigation and Planning	Wildlife Management Program	\$2,418,000
Total Sage-grouse Specific Funding:		\$60,000,000

Category	Funding Source	Amount
Vegetation Treatments and Habitat Restoration	Healthy Lands Program	\$4,000,000
	Native Plants Program	\$4,000,000
Total Base Funding Allocated for Sage-grouse:		\$8,000,000
GRAND TOTAL for Sage-grouse Conservation**:		\$68,000,000

* FY 2016 only. BLM will not have related costs in FY 2017 and beyond.

** In addition to the \$60.0 million in Sage Grouse specific funds, the BLM included \$8.0 million in base funding. The Healthy Lands Program and the Native Plant Program each distributed \$4.0 million to the States to complete projects in priority habitat. Thus, the overall total allocated to Sage Grouse specific work is \$68.0 million.

Calvert Q2: Please describe how FY 2017 funds are expected to be allocated by activity, such as conservation measure implementation, assessment, monitoring, travel management, and inventory.

Answer: The following activities are anticipated to be funded with the additional \$19.150 million requested for FY 2017:

- \$6.2 million to remove encroaching conifers from priority habitat;
- \$1.4 million for the eradication and control of invasive weeds in priority habitat;
- \$1.0 million to restore and protect riparian areas in priority habitat;
- \$2.3 million to reduce fuels loads in priority habitat;
- \$850,000 to augment post-fire stabilization and rehabilitation efforts through the Sustainability in Prison program. Specifically, these funds would engage an additional 10 prisons in the production of sagebrush plants, increasing the number of plants by 200,000;
- \$1.2 million to support 12 additional permanent Full Time Employees (FTE). Two FTEs would be filled at the National Operations Center to assist in managing and training for data management, geospatial support, and contracting and agreements; the remaining 10 FTEs would be filled in field offices to implement on-the ground implementation;
- \$1.2 million for training and coordination with State and Federal partners to implement the new provisions for habitat conservation;
- \$5.0 million for implementation of the National Seed Strategy in order to respond with appropriate restoration resources to landscape-scale ecological changes due to drought, invasive species, and catastrophic wildfires.

Also, sage grouse base funding (\$60.0 million) is anticipated to be distributed to the following activities in FY 2017:

- \$4.3 million for assessment, inventory and monitoring;
- \$6.9 million for enterprise geospatial information system support;
- \$5.7 million to complete planning (project level NEPA) for on-the-ground projects in priority habitat;
- \$1.6 million for development and completion of Ecological Site Descriptions (ESD) in priority habitat;
- \$1.5 million for restoration and protection project for riparian areas in priority habitat; and
- \$40.0 million to implement sage grouse habitat restoration and improvement projects in upland and wet meadows areas in priority habitat.

Calvert Q3: Please provide a break out of how the funds were allocated by State in FY 2016.

Answer: The \$68.0 million was allocated to the following States, centers and offices in FY 2016:

Office		Amount
CA		\$2,250,000
CO		\$5,030,000
ID		\$3,680,000
MT		\$4,160,000
NOC		\$1,090,000
NV		\$5,170,000
OR		\$3,700,000
UT		\$4,400,000
WY		\$3,480,000
WO	Mineral Withdrawals	\$10,600,000
	WHB Gathers and costs related to removals (funding used in States)	\$2,500,000
	Mitigation Plan Contracts (plans will be used by State, district and field offices)	\$3,540,000
	Travel & Transportation planning (funding will be distributed to State operations)	\$1,000,000
	Decision file and administrative record (covers States and Washington office)	\$1,400,000
	National Agreements/Contracts & WO FTEs (support for tracking sage grouse implementation)	\$16,000,000
TOTAL*		\$68,000,000

* In addition to the \$60.0 million in Sage Grouse specific funds, the BLM included \$8.0 million in base funding. The Healthy Lands Program and the Native Plant Program each distributed \$4.0 million to the states to complete projects in priority habitat. Thus, the overall total allocated to Sage Grouse specific work is \$68.0 million.

Calvert Q4: Please update the information provided in FY 2016 QFRs regarding funding used for coordination with other Federal agencies, State and local governments, and partners.

Answer: Currently, Wildlife Management Program funds are being used to:

1. Appoint a regional implementation coordinator in each of the Great Basin and Rocky Mountain regions to oversee and track implementation, coordinate across State and regional boundaries and entities, report and analyze progress, identify key issues, ensure consistent approaches, resolve differences, and provide support to the regional support teams.
2. Stand up three regional support teams: two in the Great Basin region (Boise for the northern and Reno for the southern portion), and one in the Rocky Mountain region (Denver). These teams will support and facilitate field and regional level project planning.
3. Hire State implementation coordinators to coordinate annual programs of work, monitor, track and report progress, and coordinate issues across State and management zone boundaries.
4. Establish a conservation team or teams(s) to develop management zone mitigation strategies and to facilitate coordination of adaptive management monitoring and response across State boundaries. The DOI, BLM Headquarters, and States are developing a strategy to move forward with this action. The conservation teams are intended to provide technical expertise and coordinate with State and regional implementation coordinators, as well as the regional leadership committees, and;
5. Establish Two Regional Leadership Coordination Committees (West/Great Basin and East/Rocky Mountain) to provide regional guidance, coordination, and prioritization to implement the Integrated Rangeland Fire Management Strategy and the Greater Sage-Grouse Land Use Plans, particularly those actions related to conservation and restoration efforts within the sagebrush-steppe ecosystem. The committee will consist of executive representatives, led by the BLM with core membership from the U.S. Fish and Wildlife Service (USFWS), U.S. Geological Survey (USGS), and appropriate State, tribal, and Federal agencies, all of whom will be invited to participate on the committee, including the U.S. Department of Agriculture (the Natural Resources Conservation Service and U.S. Forest Service). Optional committee members include the Bureau of Indian Affairs and National Park Service. Progress reporting and coordination with the DOI leadership will occur through the Department's Strategy Implementation Manager. The Strategy Implementation Manager is responsible for day to day status oversight and tracking, coordination and facilitation, identification of issues and resolving differences in support of the Action Plan developed to implement Secretarial Order 3336. The Regional Leadership Coordination Committees will coordinate regional science activities with the Great Basin Landscape

Conservation Cooperative (West/Great Basin LLC) and Great Northern LCC (East/Rocky Mountains Region), including through the Sage-Steppe Forum, to provide a mechanism for information sharing and lessons learned, identify science needs, assist in translating science into actionable management, and generally provide opportunities to coordinate among a wide variety of partners on issues related to sagebrush-steppe conservation and restoration, including fuels management and post-fire restoration. Other partners may include, and are not limited to: The Western Association of Fish and Wildlife Agencies, Great Basin Consortium, Great Basin Research and Management Partnership, Great Basin Fire Science Exchange, Range-wide Interagency Sage-grouse Conservation Team, Joint Fire Science Program, Southern Rockies LCC, Plains and Prairie Potholes LCC, Cooperative Research Units, academic and research institutions, tribes, tribal organizations, non-governmental organizations, private landowners, and other regional partners.

Native Plants/National Seed Strategy

Calvert Q5: Please update the information provided in the FY 2016 QFRs regarding funding allocated in FY 2014 and 2015 for the Native Plant Materials Development Program to include FY 2016.

Answer: Funding allocated to the Native Plant Materials Development program in FY 2016 totals \$8.35 million, which includes \$750,000 from Sage-grouse funding. Program resources by subactivity are listed below.

Subactivity	2014	2015	2016
Soil, Water and Air Management	\$3.0 million	\$3.0 million	\$3.0 million
Wildlife Management	\$4.6 million	\$5.0 million	\$5.35 million
Disaster Relief Appropriations Act, 2013 (Funds allocated to BLM in FY 2014)	\$3.5 million	0	0
Total	\$11.1 million	\$8.0 million	\$8.35 million

Calvert Q6: Please provide additional information on how the additional \$5 million requested to implement the National Seed Strategy will be used, including information on the activities planned (expanding native seed inventory, cleaning and storing seed, etc.) under the strategy.

Answer: The BLM currently plans to allocate the additional \$5 million requested to implement the National Seed Strategy in support of the following goals:

Goal 1: Identify seed needs and ensure the reliable availability of genetically appropriate seed reserves (\$2.57 million)

- 350 new collections of native seed
- 70 one-acre plots of grass seed production
- 63 one-acre plots for forb seed production
- Partial funding of National Assessment of Federal, Tribal, State and Private seed needs and capacity

Goal 2: Identify research needs and conduct research to provide genetically appropriate seed and improve technology for native seed production and ecosystem Restoration (\$1.98 million)

- Seed transfer zones researched for 10 restoration species
- Production protocols for
 - 10 forb species
 - 10 shrub seed orchards

Goal 3: Develop Tools that Enable Managers to Make Timely, Informed Seeding Decisions for Ecological Restoration (\$350,000)

- 10 restoration demonstration sites
- Develop enhanced procurement tools for multi-agency seed acquisition

Goal 4: Develop strategies for internal and external communication (\$100,000)

- Develop a National Seed Strategy Website
- Develop and Implement Communications Plan

Calvert Q7: Overall, how much funding does BLM anticipate allocating to the Plant Conservation Program in FY 2017?

Answer: Assuming enactment of the President's budget request, the BLM anticipates allocating the following resources to the Plant Conservation Program in FY 2017.

Subactivity	2017
Soil, Water and Air Management	\$3.0 million
Wildlife Management	\$10.35million
Total	\$13.35 million

Calvert Q8: How many botanists and plant ecologists are employed by the Bureau? Is the Bureau able to fill vacant positions in a timely manner? Are additional botanists and plant ecologists needed in the Bureau?

Answer: The Bureau currently has 64 botanists and plant ecologists on board. The BLM moves quickly to fill vacant positions in accordance with available resources, program requirements, and established human resource processes. The BLM is actively evaluating the staffing needed to effectively implement the National Seed Strategy, as well as the Presidential Memorandum on Pollinators and Secretarial Order 3336. Botanists play a critical role in ensuring the conservation of rare plants and sustainability of native plant communities within the BLM's multiple use and sustained yield mandate.

BLM will further evaluate the need for botanists and plant ecologists as it implements the National Seed Strategy, and assuming funding is provided for the Strategy, BLM will have the means to adjust the number of these positions if deemed necessary.

Calvert Q9: Please describe their typical duties and responsibilities and role in a BLM field or regional office.

Answer: Typical duties for BLM botanists include subject matter review and technical guidance during the planning process; authoring and assisting in the preparation of National Environmental Policy Act documents; providing quality control for third party botanical survey reports; reviewing and providing guidance on restoration plans; participating in interdisciplinary team meetings; and representing the BLM at meetings with partner agencies and project proponents. BLM botanists frequently consult with the Fish and Wildlife Service on impacts to threatened and endangered plants under Section 7 of the Endangered Species Act.

Other responsibilities include: managing, inventorying, and monitoring Federally listed (Endangered Species Act) plants, State-listed plants, and Bureau special status plant populations; ensuring annual performance requirements are achieved and reported; reviewing and approving the work of third party rare plant surveyors; coordinating with other program areas regarding native seed needs; managing Seeds of Success collection teams; working with private sector growers to produce native seed; procuring native seed; coordinating eco-regional native plant programs; preparing and submitting funding proposals in response to agency data calls; and representing the BLM at local and regional meetings.

Wild Horses and Burros

Calvert Q10: Please describe in detail the Bureau's proposal for authority to transfer wild horses and burros to other Federal agencies and state and local governments.

Answer: A number of agencies at the Federal, State and local levels use horses as work animals, including the U.S. Border Patrol and various branches of the U.S. Military. With nearly 50,000 animals currently available for adoption through the BLM's Wild Horse and Burro Program, we are seeking to create a mechanism for transfer of horses and burros directly to other agencies when a legitimate need exists.

Currently, under the Wild Free-Roaming Horse and Burro Act of 1971, the BLM can only adopt animals to individuals. As a result, the roughly 300 horses that the BLM has provided to the U.S. Border Patrol over the last decade have been transferred to individual agents in their personal capacity, rather than to the agency. We believe that the existing approach is inefficient and a potential disincentive to the use of wild horses and burros for legitimate public purposes.

The Budget proposal would provide the opportunity for the BLM to directly convey wild horses and burros to other public agencies that have a legitimate need for work animals in their programs. Since each animal that is not adopted can cost the U.S. taxpayer nearly \$50,000 over the course of its lifetime, we are eager to create new opportunities that ensure wild horses and burros find good homes and receive humane care, and also fulfill existing demand among agencies such as the U.S. Border Patrol and the National Park Service.

Calvert Q11: Please update the information provided in the FY 2016 QFRs regarding BLM's research on population control methods for wild horse and burros. How much funding will be dedicated to this activity in FY 2017? What are the sources of the funding?

Answer: The BLM has funded 15 research projects directly related to fertility control methods. The total FY 2017 planned budgeted expenditure for the projects is \$2.56 million, as shown in the table below. This list includes funding the WH&B program obligated for these projects in FY 2014, FY 2015, and FY 2016, as seen in the answer to Question 12.

	No. of Projects	FY2017 Expenditures (estimated)\$000
Universities	8	\$1,460
USGS	6	\$1,080
Nonprofit	1	\$ 15
Total	15	\$2,560

The majority of the funding for university and USGS projects was obligated in FY 2014 and FY 2015. The total expenditure of funds will occur over a five-year period while the studies are being completed. Most of the costs are borne by the Wild Horse and Burro Management subactivity; the Rangeland Management and Threatened & Endangered Species Management programs also contributed funds.

Calvert Q12: Please update information provided in the FY 2016 QFRs regarding the number and cost of research grants the agency funded in FY 2015 and FY 2016 to include FY 2017.

Answer: BLM is currently supporting 24 research projects at a cost of \$13.1 million; project duration ranges from one to five years and the expenditure of these funds will be spread over the life of each project. Some of these projects are not related to population control. In FY2016, the BLM began tracking research-related animal capture and aerial survey costs; these costs are estimated to be \$500,000 a year between FY 2016 and FY 2020. The table below shows the costs of research projects according to the fiscal year for which those funds were obligated.

	Obligations by Fiscal Year (\$000)				
	FY 2014	FY 2015	FY 2016	FY 2017	FY18 - FY20
Universities (10 studies)	—	\$3,420	—	—	
USGS (11 studies)	\$5,260	\$1,500	—	—	
Nonprofit (1 study)	—	—	\$65	—	
Contractors (2 studies)	—	\$346	—	—	
Research-related animal capture and aerial survey costs	—	—	~\$500	~\$500	~\$1,500

Calvert Q13: How many population control applications does BLM plan to make in FY 2016 and FY 2017? What methods will be used?

Answer: BLM takes very seriously the challenge created by the unsustainable population growth rate of wild horse and burro herds, which is nearly 20 percent per year. While contraceptive birth control methods currently in use can be improved upon, given the severity of the current situation, BLM is committed to taking more aggressive action to expand their use, as well as the application of spay and neuter treatments. Much of this direct action will begin in 2016, and will continue to be supported by the agency's on-going general research efforts to improve the available tools for population control. For example, the BLM will continue working with leading university and U.S. Geological Survey scientists to better refine its population growth suppression methods and overall herd management techniques. BLM is currently assessing an appropriate path forward on the methods and volumes for control applications.

Calvert Q14: Please update information provided in FY 2016 regarding estimates of wild horses and burros on the range. What is that status of BLM's estimates? Have improvements been made?

Answer: The BLM reports national on-range population estimates annually. The March 1, 2015, estimate was 58,150 (47,329 horses and 10,821 burros) and the data for March 1, 2016, will be published in May. The 2016 values are expected to be consistent with an approximate overall growth rate of about 20% per year, minus the number of animals removed from the range by BLM (between March 1, 2015 and March 1, 2016, BLM removed approximately 3,300 animals from the range).

Program-wide, improvements have been made on the estimation of wild horse and burro population sizes. The National Academy of Sciences (NAS) 2013 Report found that the BLM's wild horse and burro aerial survey methods at that time may have undercounted numbers by as much as 20 to 30 percent on a national basis. The NAS recommended that the BLM adopt new population survey methods developed by the USGS, using more complete surveys and statistical analysis to account for animals that are undetected during aerial survey flights. In 2014, the BLM began using the recommended methods and completed surveys in 77 of the 179 herd management areas (HMAs). In 2015, the BLM completed new method surveys in 56 HMAs, and in 2016, we anticipate that BLM will complete new method surveys in at least 67 HMAs. From 2014 to the present, the vast majority of areas in HMAs have been surveyed with these new methods. The BLM intends to continue to use the new methods and to survey one third of the HMAs annually on a rolling basis.

Calvert Q15: How accurate are the agency's estimates? How frequently are the estimates conducted? When was the last one conducted?

Answer: BLM conducts aerial surveys of HMAs and surrounding lands outside the HMA when animals have moved outside of management boundaries. Observational data are analyzed to obtain a total population estimate for each surveyed HMA, including both the number of animals actually observed and the estimated number of animals that were present but not seen by any observer.

The accuracy of these surveys can be measured in two ways: in terms of the estimated fraction of horses and burros that were present, but not seen, or in terms of the width of the confidence interval around the total population estimate. First, the average percentage of horses missed in aerial surveys tends to be from 1% to 10% – this value is lowest in HMAs with extremely good visibility, but can be as high as about 30% in densely forested areas. Burros are generally more difficult to see; the percentage of burros not seen is typically estimated to be from 5% to 20%. Second, the width of confidence intervals around population estimates from aerial surveys can be measured as the coefficient of variation (CV). The CV for horse surveys tends to be less than 10% for most individual HMAs, indicating that results from those surveys are fairly precise. For burro surveys, the CV tends to be higher, typically from 10% to 25% which, in most cases, still provides the appropriate level of accuracy needed to make well-informed management decisions. BLM is supporting research to improve the accuracy of burro population survey estimates.

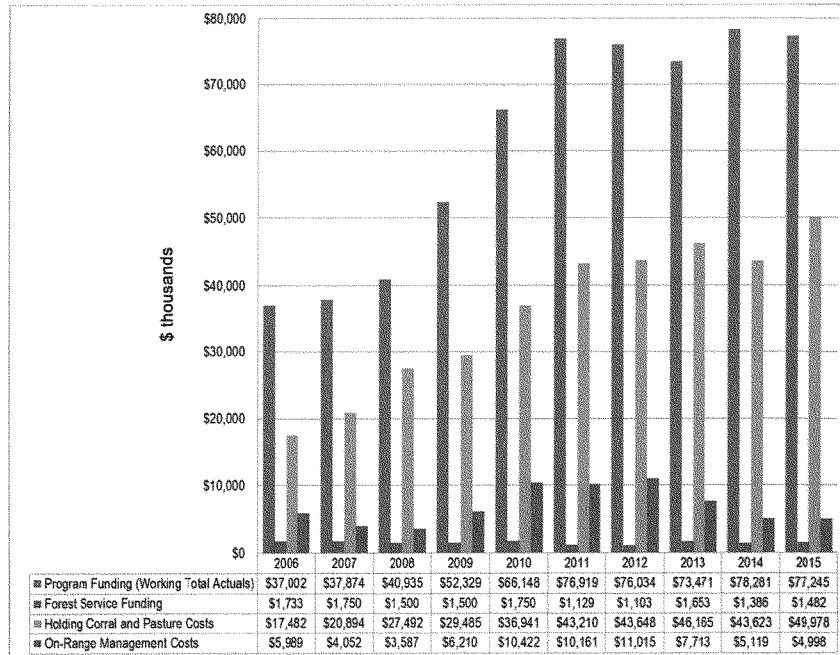
Regarding frequency, the BLM aims for each of the 179 HMAs to be surveyed at least once per three years. Nationwide estimates are compiled on March 1 of each year. The populations for each HMA compiled are based on the most recent survey, but also account for the projected growth rate since that survey, minus the known number of animals that were removed from the population. The next nationwide overall population estimate will be completed March 1, 2016. BLM is currently tabulating the data and intends to publish it in May 2016.

Calvert Q16: Does BLM plan to remove wild horses and burros from the range in FY 2016? Please also describe the agency's plan for FY 2016 and include information regarding its priority for removals.

Answer: The Bureau plans to remove up to 3,500 wild horses and burros in FY 2016, which is comparable to the number of animals that will leave BLM facilities through adoptions, sales, or mortality attrition. Additional removals are not possible due to the high costs to maintain unadopted animals, and the limited holding space available. Removals will be prioritized and will primarily occur in response to public health and safety (i.e., animals on the highway, in agricultural fields); private land encroachment; emergencies; greater sage-grouse focal areas; research; and court orders.

Calvert Q17: Please provide a 10-year table showing total funding for the wild horse and burro program. Include transfers from other agencies and the allocation of funding between the management of wild horses and burros on the range and those in long-term holding facilities.

Answer: The following graph and table lists and displays the total funding per fiscal year, which comprises enacted appropriations, reprogrammings, carryover, and funding transfers from the Forest Service to BLM. The graph and table also shows expenditures for the feeding and care of wild horses and burros in both corrals and pastures (short-term and long-term "holding costs"); and expenditures for on-range management operations. In addition to these two categories of costs identified in the graph and table below, other costs in the WH&B program, which are not included in graph and table, but are also critical components of the WH&B program include research, placement of animals into private care and compliance inspections.



Cost of Litigation

Calvert Q18: In FY 2015, the Bureau implemented a new policy to track the costs of natural resource-related administrative reviews and litigation, including the payment of attorney fees and expenses. Has this policy been fully implemented?

Answer: Yes, the BLM issued an instruction memorandum in FY 2015 to implement a new policy for tracking the costs of natural resource-related administrative reviews and litigation.

Calvert Q19: Please provide information on the costs of administrative reviews and litigation for FY 2015.

Answer: In FY 2015, the total cost of administrative reviews was \$692,823 while costs for litigation totaled \$1,956,848.

Data Center Consolidation

Calvert Q20: Please update the information provided in the FY 2016 QFRs regarding data centers that have been consolidated over the past four fiscal years? What is the savings associated with the consolidation?

Answer: Since 2011, the BLM has reduced the number of data centers from 51 to 21, achieving a 38 percent cost reduction and \$1.6 million in savings.

Calvert Q21: How many additional data centers will be consolidated in FY 2017 and future fiscal years and what are the anticipated savings associated with these actions?

Answer: In 2017, 11 additional data centers are planned for closure. Another seven are slated for closure in 2018. If these additional centers are closed, estimated savings as a result of BLM data center consolidation efforts would total nearly \$2.0 million.

Law Enforcement

Calvert Q22: BLM's law enforcement officers cover more than a million acres each. As new lands are designated and the duties of the Bureau increase, what law enforcement needs, such as personnel, equipment, training, vehicles, is the Bureau likely to face in the future?

Answer: As more Americans visit their public lands and the uses of the nation's natural resources becomes more diverse, carrying out the agency's mission and its accompanying law enforcement responsibilities becomes more complex. The 2017 request for BLM's Law Enforcement program maintains a healthy base as provided in the 2016 appropriation, and additional resource needs associated with new designations would be supported in part by the robust increase requested in the National Conservation Lands program. The combined allocation provides for enhanced law enforcement in existing and newly designated NCL units to address the challenges associated with increased visitation and heightened management and protection responsibilities on these lands. The BLM regularly evaluates program capabilities and changing demands or workloads for all programs, including Law Enforcement, and factors such analyses into the budget formulation process, and will continue to do so.

National Monuments

Two of the newly designated national monuments – Sand to Snow and Mojave Trails – will be managed by the Bureau, and the budget request includes a \$13.7 million increase for National Conservation Lands.

Calvert Q23: How will the costs associated with these new national monuments be covered in FY 2016? What are the estimated costs for FY 2017?

Answer: For FY 2016, these two new national monuments will be funded by a variety of existing funding sources such as recreation and visitor services, cultural resources protection, law

enforcement, wildlife management, and maintenance. If available, additional funding may be re-allocated from the BLM's National Monuments and National Conservation Areas program.

The BLM is working to determine estimated costs for FY 2017. Costs for new national monuments include basic essential services, such as paying for critical staff, handling increased visitation and law enforcement needs, posting signs and educational materials, conducting public awareness and outreach, developing a land use plan, inventorying resources, objects, and values to be protected, and working with local partners and volunteers.

Calvert Q24: Please describe how the Bureau plans to utilize the proposed \$13.7 million increase in FY 2017.

Answer: The BLM plans to utilize the proposed \$13.7 million increase to the National Conservation Lands program as described in the FY 2017 budget request. The BLM is currently working internally to identify and rank projects submitted by field and state offices that it will recommend for funding in FY 2017. Top priorities include filling critical management and staff vacancies on the ground to be more responsive to local communities, constructing basic visitor service facilities, facilitating and encouraging public access, and protecting unique resources and fragile objects for which the National Conservation Lands were designated.

Land Acquisition

The Committee understands the Bureau needs some flexibility to manage budgeting uncertainties. Land and easement acquisition projects can be vulnerable to uncertainty due to real estate markets, willingness of sellers and other factors beyond the Bureau's control. The Committee provides flexibility to manage these situations through its reprogramming guidelines. In return, the Committee expects the Bureau to follow the guidelines.

In FY 2015, BLM moved \$995,000 (\$5,000 below the \$1,000,000 reprogramming threshold) from a land acquisition project that had strong Member support to another land acquisition project proposed for FY 2016 without notifying the Committee. BLM reprogrammed this funding despite a House Majority email sent six months prior, warning that such a move would not have had the Committee's support.

Calvert Q25: While the amount of funding technically fell below the \$1 million threshold, please explain why the Bureau went ahead with the reprogramming despite the Committee's indication that it would not be supported.

Answer: The BLM urgently needed to redirect funding to allow for the purchase of a 602 acre parcel located in the Ironwood Forest National Monument in Arizona to prevent residential development. Unlike the Upper Snake/South Fork River project that was the source of the reprogrammed funds, the Ironwood project had a third party partner and a highly-motivated property owner that were in agreement with all terms of the purchase. This acquisition strengthened the BLM's effort to preserve rare plant species and wildlife habitat and conserve open space landscape values within the Monument.

While the Upper Snake/South Fork landscape is a priority, there were only a few small transactions that were in progress for FY 2015, with no definite commitments for the majority of the funds. At the time of the reprogramming in August 2015, the Upper Snake/South Fork landscape had accumulated an unobligated balance of \$2,895,000 with both FY 2012 and FY 2015 funds. These funds have been extremely difficult to spend down, mostly due to the expectation of willing sellers of higher appraised values. As new willing sellers become available we will proceed with additional transactions in this important area.

Calvert Q26: BLM classified the reprogramming as an “internal reprogramming”. Please describe in detail what constitutes an “internal reprogramming” and when and why they are used.

Answer: Pursuant to the reprogramming guidelines in the Statement of the Managers accompanying Division F of the FY 2015 Omnibus Appropriations Act (P.L. 113-235), reprogramming actions less than \$1,000,000 or 10 percent of the funding of affected programs, projects, or activities are referred to as “internal reprogrammings,” and do not require advance Congressional approval. However, all reprogrammings are reported to the Committees within 60 days of the end of each quarter.

Reprogrammings are only used when an unforeseen situation arises, and then only if waiting for the appropriations cycle to fund the project or the activity until the next appropriation year would result in actual loss or damage.

Questions from Mr. Simpson**Aquifer Recharge in Idaho**

My home state of Idaho is working vigorously to address its water supply issues in the Snake River Basin. The Eastern Snake Plain Aquifer, which is hydraulically connected to the Snake River, is Idaho's largest and most strategic aquifer resource. For the past six decades, the ground water levels in this aquifer have been declining, which has impacted surface flows in the Snake River.

The surface water users and the ground water users in the Snake River Basin above Milner Dam have entered into an historic agreement that seeks to stabilize the ground water level in the Eastern Snake Plain Aquifer. Under the agreement, ground water users have volunteered to reduce their consumptive use of water from the aquifer by 240,000 acre-feet or roughly 12 percent. The State of Idaho is also committing to funding a managed recharge program that seeks to recharge 250,000 acre-feet to the aquifer on an average annual basis.

Simpson Q1: I understand that as part of the State's plan, some non-federal canals that currently have easements over BLM land may require some flexibility or modification. But first I'd like to ask if you could please describe the extent to which BLM has been involved in aquifer recharge efforts in Idaho generally and with the recent settlement specifically? Is there anything that BLM could do to provide access across federal lands for recharge projects and to cooperate on placement of recharge projects on federal lands?

Answer: The BLM has been, and is currently involved in groundwater augmentation occurring on BLM administered lands in the upper Snake River basin in Eastern Idaho. Specifically, this effort has been conducted in the Idaho Falls and Twin Falls Districts. As for the recent settlement, the BLM looks forward to facilitating the augmentation of groundwater recharge in the capacity where vested water rights are demonstrated and coordinated through the existing managers of the surface water conveyance systems.

Since the management of the public land is conducted for multiple use and sustained yield, the BLM sees support of sustainable groundwater resource as a core responsibility of the organization. As to the specific actions related to providing access across, and the siting of, recharge projects on BLM administered lands, these actions would have to be addressed on a case-by-case basis and be subject to standard processing requirements such as the National Environmental Policy Act and the National Historic Preservation Act.

Simpson Q2: Director Kornze, I recognize that specific plans and details are still being worked out in the State, so I won't ask you to endorse specific actions today. I would, however, like to ask for your commitment that you and your staff will continue to work closely with me, my staff, and the State of Idaho to ensure appropriate and timely assistance on the part of the BLM. Will you commit to that?

Answer: The BLM is committed to working closely with the State of Idaho, you, and your staff on issues concerning water resources in the Snake River Basin. We look forward to continuing our collaborative efforts in this region.

Sage-Grouse Management Plans

Can you take me through how each of the tiers of management areas impact grazing?

Simpson Q3: How do the focal areas impact grazing?

Answer: The plans do not set different habitat standards or processes for permit renewal or monitoring in Sagebrush Focal Areas (SFAs), Priority Habitat Management Areas (PHMAs), or General Habitat Management Areas (GHMAs). The plans do not close these areas to grazing or require a one-size-fits-all approach to allotments. Instead, the plans require BLM to prioritize its limited resources on permit processing, monitoring and field checks in SFAs and then PHMAs (and then Important Habitat Management Areas in Idaho) in an effort to ensure that any improper grazing practices are identified and corrected first in the habitat areas most important for sage grouse conservation.

In addition, when doing NEPA analysis as part of grazing authorizations that include lands within SFAs and PHMAs, the BLM will also analyze at least one alternative with thresholds/responses based on habitat objectives, land health standards and ecological site potential, and one or more defined responses in order to allow BLM to work with permittees to address any rangeland health concerns more quickly. The BLM will focus on incorporating these adaptive management thresholds and responses into grazing permits where land health standards are not being met and current livestock grazing is a causal factor or there is a change in management that may affect the ability to achieve land health standards.

Whether in SFAs, PHMAs, or GHMAs, allotments will be assessed according to the same factors, which include both the science describing the habitat conditions in which sage grouse thrive and the ecological site conditions of what any particular allotment can provide.

Simpson Q4: How do Priority Habitat Management Areas impact grazing?

Answer: Priority Habitat Management Areas (PHMAs) outside of Sagebrush Focal Areas (SFAs) are the second priority for processing grazing permits, conducting monitoring, and incorporating adaptive management thresholds/responses into grazing permits and leases.

Simpson Q5: How do General Management Areas impact grazing?

Answer: Generally, the last priority for reviewing and processing grazing authorizations will be on allotments in General Habitat Management Areas (GHMAs).

Questions from Mr. Stewart**Resource Management Plan Changes**

The proposed rule would eliminate references to “Field Manager” and “State Director”, and replace them with “responsible official” and “deciding official,” respectively. BLM says that this change is because planning areas may extend beyond traditional BLM administrative units. I am concerned this could erode the relationships the State has developed with certain field office managers and the state director.

Stewart Q1: How will the BLM ensure that decisions affecting Utah are still made by local BLM officials who are most familiar with Utah issues?

Answer: The proposed rule would foster increased coordination between local BLM officials and counties, States, and other important stakeholders by giving additional opportunities within the process for those organizations to provide input. The proposed rule would also provide more clarity to State and local officials about the coordination process, and make it easier for State officials to track BLM planning efforts. Consistent with FLPMA, the BLM will continue to coordinate with all relevant State and local governmental entities, and will strive for consistency with State and local planning efforts. Under the proposed rule, the way that BLM makes on-the-ground implementation decisions would not change. For example, decision-making authority regarding livestock grazing permits, oil and gas leasing, and special recreation permits would continue to reside with the local BLM field or district managers.

Stewart Q2: The proposed rule states that “The proposed rule would add new public involvement opportunities” and “would require the BLM to identify public views in relation to resource, environmental, ecological, social, or economic conditions.”

How will the BLM ensure that the public views of the local public (those who are most effected by the BLM’s decisions) will receive the greatest consideration from the BLM?

Answer: The new public involvement opportunities included in the proposed rule are meant to enable an ongoing conversation with interested members of the public through the planning process. By hosting public meetings in local communities within the planning area, the BLM will help ensure that the local public can share their views. The BLM has heard from State and local officials about their desire to be more involved in the early stages of the planning process. The proposed rule would achieve this by providing earlier opportunities for coordination and for public involvement during the planning assessment and the preliminary alternatives review. While the proposed rule would require the BLM to consider views from a variety of public sources, the rule would also continue to underscore the importance of the BLM’s unique State, local, and tribal land use plan consistency requirements under FLPMA.

Stewart Q3: Goal #1 of the Planning 2.0 Initiative is to “Improve the BLM’s ability to respond to social and environmental changes in a timely manner.”

Will response to social changes include responding to economic hardship induced by BLM land management? Will response to environmental changes include responding to positive environmental changes, such as restoring suspended AUMs to livestock grazers after a wet winter?

Answer: One of the ways that the proposed rule allows the BLM to be more responsive to social and environmental changes is by requiring that Resource Management Plans develop an adaptive management framework. The proposed rule would also require that the BLM set standards and intervals for monitoring key indicators for those resources to ensure that we can readily determine whether or not we are meeting resource objectives. By coupling these two provisions, the BLM hopes that we can have more flexibility in making implementation decisions on the ground that can be responsive to changing circumstances.

While suspended AUM decisions are implementation level decisions not made at the larger-scale land use planning level of a Resource Management Plan, we do believe that having more data-informed decisions on the larger scale will make it easier to provide timely responses at the implementation level.

Stewart Q4: The proposed rule “would eliminate some Federal Register notice requirements and shorten the minimum requirement for the length of public comment periods for draft resource management plans and draft EIS-level amendments...”

How will the BLM facilitate detailed review by cooperating agencies and government partners during shorter comment periods?

Answer: The proposed rule would add two additional opportunities for cooperators and government partners to engage in the planning process. These opportunities include the planning assessment phase, to be completed before initiating scoping, and a public review of preliminary alternatives, to be completed before issuing a draft resource management plan (RMP). Cooperating agencies would have the opportunity to inform and review related documents at both of these steps. This iterative approach to building the baseline report and preliminary alternatives should make the review of the draft RMP quicker to complete for both cooperating agencies and the public at large, since most of this information will have been available for their input and review during earlier development phases of the draft RMP. The timelines set in the proposed rule are required minimums; the BLM would retain the ability to extend comment periods as appropriate.

Stewart Q5: The proposed rule would “Replace the requirement that the BLM identify a single preferred alternative in a draft resource management plan and draft EIS with a new requirement that the BLM identify “one or more” preferred alternatives for more consistency with DOI NEPA implementation regulations that apply to draft EISs.”

How should cooperating agencies respond when there could be multiple preferred alternatives in a draft RMP/draft EIS?

Answer: In many instances, the preferred alternative reflects the single best alternative, from the BLM’s perspective, to meet the purpose and need for the RMP. In other instances, however,

there may be more than one alternative that could best meet the purpose and need of the RMP. In these cases, encouraging the public and partners to provide feedback on multiple alternatives would ensure that the BLM's selection of a final alternative in the proposed RMP benefits from robust public input on a range of approaches and ideas. Under the current framework, which allows for the identification of just one preferred alternative, the public and partners often limit their analysis to the merits of the single preferred alternative. The identification of multiple preferred alternatives, when appropriate, would help cooperating agencies and the public know that multiple alternatives provide potential viable options for the proposed RMP and help expand their comments on all of those alternatives.

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